Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning and ending

B Check if applicable: [ ] Address change; [X] Name change; [ ] Initial return; [ ] Terminated; [ ] Amended return; [ ] Application pending

C Name of organization
THE FRIEDMAN FOUNDATION FOR EDUCATIONAL CHOICE INC.

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address): ONE AMERICAN SQUARE — Room/suite: 2420

City or town, state or country, and ZIP + 4: INDIANAPOLIS, IN 46282

F Name and address of principal officer: ROBERT C. ENLOW
ONE AMERICAN SQUARE, SUITE 2420, INDIANAPOLI

D Employer identification number 35-1978359

E Telephone number 317-681-0745

G Gross receipts $ 6,619,582.

H(a) Is this a group return for affiliates? [ ] Yes [X] No

H(b) Are all affiliates included? [ ] Yes [ ] No
If "No," attach a list. (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status: [X] 501(c)(3) [ ] 501(c) ( ) ◀ (insert no.) [ ] 4947(a)(1) or [ ] 527

J Website: ▶ WWW.EDCHOICE.ORG

K Form of organization: [X] Corporation [ ] Trust [ ] Association [ ] Other ▶

L Year of formation: 1996 M State of legal domicile: IN

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: PROMOTING SCHOOL CHOICE IN ORDER TO IMPROVE, THROUGH COMPETITION, K-12 EDUCATION FOR ALL.

2 Check this box ▶ [ ] if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	13
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	11
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	16
6	Total number of volunteers (estimate if necessary)	6	0
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.

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			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	4,214,115.	4,498,513.
	9	Program service revenue (Part VIII, line 2g)	0.	0.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	121,634.	310,624.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0.	0.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	4,335,749.	4,809,137.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	779,500.	839,500.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	1,178,624.	1,262,017.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 575,021.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	2,125,209.	2,007,701.
	18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	4,083,333.	4,109,218.
	19	Revenue less expenses Subtract line 18 from line 12	252,416.	699,919.

Net Assets or Fund Balances			Beginning of Current Year	End of Year
	20	Total assets (Part X, line 16)	6,218,677.	6,461,598.
	21	Total liabilities (Part X, line 26)	233,586.	142,260.
	22	Net assets or fund balances. Subtract line 21 from line 20	5,985,091.	6,319,338.

Part II Signature Block

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 officer) is based on all information of which preparer has any knowledge.

Sign Here
▶ Signature of officer — Date: 10-12-12
▶ ROBERT C. ENLOW, PRESIDENT, CEO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check [ ] if self-employed	PTIN
SCOTT A. SCHUSTER	SCOTT A. SCHUSTER	10/10/12		P00019243

Firm's name ▶ KSM BUSINESS SERVICES, INC. — Firm's EIN ▶ 35-2123203

Firm's address ▶ P.O. BOX 40857
INDIANAPOLIS, IN 46240-0857 — Phone no. (317) 580-2000

May the IRS discuss this return with the preparer shown above? (see instructions) [X] Yes [ ] No

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Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III ☐

1 Briefly describe the organization's mission:
THE FOUNDATION WAS ESTABLISHED BY MILTON AND ROSE D. FRIEDMAN IN 1996 TO EDUCATE THE PUBLIC ON THE NEED FOR AND BENEFITS OF PARENTAL SCHOOL CHOICE. OUR EDUCATIONAL WORK INCLUDES RESEARCH, COMMUNICATIONS AND MARKETING, PUBLIC OUTREACH, AND GRANT-MAKING.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code ________) (Expenses $ 839,500. including grants of $ 839,500.) (Revenue $ ________)
GRANTMAKING: THE FOUNDATION AWARDED 106 GRANTS TO CHARITABLE ORGANIZATIONS FOR EDUCATIONAL PURPOSES.

4b (Code ________) (Expenses $ 1,827,477. including grants of $ ________) (Revenue $ ________)
EDUCATION ACTIVITIES - THE FOUNDATION WORKED AROUND THE COUNTRY TO EDUCATE THE PUBLIC ON THE PRACTICE AND BENEFITS OF SCHOOL CHOICE, IN EACH INSTANCE PROVIDING EDUCATIONAL SERVICES TO STATE-BASED ORGANIZATIONS, INDIVIDUALS AND POLICY MAKERS. THESE SERVICES INCLUDE: SPONSORING FACT-FINDING TRIPS TO CITIES/STATES WITH SCHOOL CHOICE PROGRAMS; HOSTING INFORMATIONAL SYMPOSIUMS; SPONSORING VISITS BY EXPERT SPEAKERS; TESTIFYING IN FRONT OF VARIOUS LEGISLATIVE BODIES AT THEIR REQUEST; PARENT EDUCATION EFFORTS AND TRAINING; MEDIA SUPPORT AND MEDIA TRAINING; PROVIDING TECHNICAL ADVICE ON THE DRAFTING OF LEGISLATION; AND SPONSORING MEETINGS WITH FOUNDATION STAFF AND VARIOUS SCHOOL CHOICE EXPERTS.

4c (Code ________) (Expenses $ 633,626. including grants of $ ________) (Revenue $ ________)
RESEARCH AND COMMUNICATION - THE FOUNDATION PRODUCED PUBLICATIONS AND RESEARCH REPORTS INCLUDING, BUT NOT LIMITED TO, ITS BIMONTHLY NEWSLETTER (THE SCHOOL CHOICE ADVOCATE); STATE AND NATIONAL RESEARCH REPORTS; PUBLIC POLICY SURVEYS; AND OUR ANNUAL BROCHURE ENTITLED THE ABC'S OF SCHOOL CHOICE. THE FOUNDATION PRODUCED EDUCATIONAL MARKETING FLIERS AND PROMOTIONAL BROCHURES FOR STATE SCHOOL CHOICE PARTNERS. THE FOUNDATION UNDERTOOK POLLS IN EFFORTS TO GAUGE PUBLIC OPINION.

4d Other program services (Describe in Schedule O.)
(Expenses $ ________ including grants of $ ________) (Revenue $ ________)

4e Total program service expenses ▶ 3,300,603.

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete *Schedule B, Schedule of Contributors*?	2	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	X	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		X
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	X	
b	Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		X
c	Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		X
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e		X
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a	X	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Parts II and IV*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Parts III and IV*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		X
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		X
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	X	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K If "No", go to line 25*	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b	X	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c	X	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34		X
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		X
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		X
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V ☐

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	27			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	N/A	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	16			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b	X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a		X
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		X
b	If "Yes," enter the name of the foreign country: ▶					
	See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts.					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?			5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			7a		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g	N/A	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h	N/A	
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? N/A			8		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966? N/A			9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person? N/A			9b		
10	**Section 501(c)(7) organizations.** Enter:					
a	Initiation fees and capital contributions included on Part VIII, line 12 N/A	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	**Section 501(c)(12) organizations.** Enter:					
a	Gross income from members or shareholders N/A	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year N/A	12b				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? N/A			13a		
	Note. See the instructions for additional information the organization must report on Schedule O					
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b				
c	Enter the amount of reserves on hand	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			14a		X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*			14b		

Part VI Governance, Management, and Disclosure *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O See instructions.*

Check if Schedule O contains a response to any question in this Part VI [X]

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year. If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	1a 13			
b	Enter the number of voting members included in line 1a, above, who are independent	1b 11			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2	X	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		3		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		5		X
6	Did the organization have members or stockholders?		6		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		7a		X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		7b		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?		8a	X	
b	Each committee with authority to act on behalf of the governing body?		8b	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*		9		X

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		X
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	12c	X	
13	Did the organization have a written whistleblower policy?	13	X	
14	Did the organization have a written document retention and destruction policy?	14	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	X	
b	Other officers or key employees of the organization	15b		X
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ IN,AK,AR,CA,FL,GA,HI,KY,ME,MD,MA,MI

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection Indicate how you made these available. Check all that apply

[ ] Own website [ ] Another's website [X] Upon request

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

CAREY FOLCO, VICE PRESIDENT OF OPER - 317-681-0745

ONE AMERICAN SQUARE, STE 2420, INDIANAPOLIS, IN 46282

SEE SCHEDULE O FOR FULL LIST OF STATES

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees, and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
(1) ROBERT C. ENLOW PRESIDENT AND CEO	45.00	X		X				193,000.	0.	20,762.
(2) GORDON ST. ANGELO (DECEASED 10/ PRESIDENT EMERITUS	20.00	X		X				25,000.	0.	0.
(3) PATRICK M BYRNE CHAIRMAN	2.00	X		X				0.	0.	0.
(4) JANET FRIEDMAN MARTEL VICE CHAIRPERSON	2.00	X		X				0.	0.	0.
(5) LAWRENCE A O'CONNOR, JR TREASURER	1.00	X		X				0.	0.	0.
(6) DAVID D FRIEDMAN DIRECTOR	1.00	X						0.	0.	0.
(7) CHARLES H BRUNIE DIRECTOR	1.00	X						0.	0.	0.
(8) WILLIAM J HUME DIRECTOR	1.00	X						0.	0.	0.
(9) HOWARD S. RICH DIRECTOR	1.00	X						0.	0.	0.
(10) FRED REAMS DIRECTOR	1.00	X						0.	0.	0.
(11) MICHAEL WALKER DIRECTOR	1.00	X						0.	0.	0.
(12) FRED S. KLIPSCH DIRECTOR	1.00	X						0.	0.	0.
(13) VIRGINIA WALDEN-FORD DIRECTOR	1.00	X						6,000.	0.	0.
(14) J. SCOTT ENRIGHT SECRETARY	5.00			X				0.	0.	0.
(15) CAREY FOLCO ASSISTANT SECRETARY	40.00			X				75,800.	0.	13,207.
(16) LESLIE HINER V.P. OF PROGRAMS AND STATE	45.00				X			153,300.	0.	5,629.
(17) CYNTHIA SPARKS VICE PRESIDENT EXTERNAL RE	45.00					X		119,604.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations

	(D)	(E)	(F)
1b Sub-total ▶	572,704.	0.	39,598.
c Total from continuation sheets to Part VII, Section A ▶	0.	0.	0.
d Total (add lines 1b and 1c) ▶	572,704.	0.	39,598.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 3

		Yes	No
3 Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address NONE	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 0

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f 4498513.				
	g Noncash contributions included in lines 1a-1f $					
	h Total. Add lines 1a-1f ▶		4498513.			
Program Service Revenue		Business Code				
	2 a					
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f ▶					
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶		59,604.			59,604.
	4 Income from investment of tax-exempt bond proceeds ▶					
	5 Royalties ▶					
		(i) Real / (ii) Personal				
	6 a Gross rents					
	b Less: rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss) ▶					
	7 a Gross amount from sales of assets other than inventory	(i) Securities 2,061,465. / (ii) Other				
	b Less: cost or other basis and sales expenses	1,810,445.				
	c Gain or (loss)	251020.				
	d Net gain or (loss) ▶		251,020.			251,020.
	8 a Gross income from fundraising events (not including $ of contributions reported on line 1c). See Part IV, line 18	a				
	b Less: direct expenses	b				
	c Net income or (loss) from fundraising events ▶					
	9 a Gross income from gaming activities. See Part IV, line 19	a				
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities ▶					
	10 a Gross sales of inventory, less returns and allowances	a				
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory ▶					
	Miscellaneous Revenue	Business Code				
	11 a					
	b					
	c					
	d All other revenue					
	e Total. Add lines 11a-11d ▶					
	12 Total revenue. See instructions ▶		4809137.	0.	0.	310,624.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Check if Schedule O contains a response to any question in this Part IX ☐

	Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	834,500.	834,500.		
2	Grants and other assistance to individuals in the United States. See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	5,000.	5,000.		
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	486,697.	300,369.	90,215.	96,113.
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	35,506.	35,506.		
7	Other salaries and wages	594,529.	389,028.	45,172.	160,329.
8	Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)				
9	Other employee benefits	71,545.	51,081.	7,967.	12,497.
10	Payroll taxes	73,740.	48,600.	8,661.	16,479.
11	Fees for services (non-employees):				
a	Management				
b	Legal	18,189.	10,146.	8,043.	
c	Accounting	21,713.		21,713.	
d	Lobbying	45,000.	45,000.		
e	Professional fundraising services. See Part IV, line 17				
f	Investment management fees	45.		45.	
g	Other	333,245.	302,379.	14,398.	16,468.
12	Advertising and promotion	437,775.	437,775.		
13	Office expenses	82,676.	53,881.	18,727.	10,068.
14	Information technology				
15	Royalties				
16	Occupancy	93,403.	64,448.	11,208.	17,747.
17	Travel	200,641.	162,167.		38,474.
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	30,448.	30,448.		
19	Conferences, conventions, and meetings	224,790.	215,873.	1,420.	7,497.
20	Interest				
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	9,233.	6,371.	1,108.	1,754.
23	Insurance	17,763.	12,250.	2,140.	3,373.
24	Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a	MAILING FEES AND PRINTI	359,513.	165,014.	2,777.	191,722.
b	STATE POLLING	65,700.	65,700.		
c	SPEAKER/MODERATOR FEES	30,227.	30,227.		
d	SPONSORED DINNERS	22,270.	19,770.		2,500.
e	All other expenses FACT FINDING, OTHER	15,070.	15,070.		
25	**Total functional expenses.** Add lines 1 through 24e	4,109,218.	3,300,603.	233,594.	575,021.
26	**Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing	704,876.	1	1,178,128.
	2	Savings and temporary cash investments	876,496.	2	2,369,731.
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net		4	
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	11,535.	9	26,156.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D — 10a: 198,359.			
	b	Less: accumulated depreciation — 10b: 154,688.	26,158.	10c	43,671.
	11	Investments - publicly traded securities	4,599,612.	11	2,843,912.
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11		15	
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	6,218,677.	16	6,461,598.
Liabilities	17	Accounts payable and accrued expenses	233,586.	17	142,260.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26	**Total liabilities.** Add lines 17 through 25	233,586.	26	142,260.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	5,985,091.	27	6,319,338.
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	5,985,091.	33	6,319,338.
	34	Total liabilities and net assets/fund balances	6,218,677.	34	6,461,598.

Part XI **Reconciliation of Net Assets**

Check if Schedule O contains a response to any question in this Part XI [X]

1	Total revenue (must equal Part VIII, column (A), line 12)	1	4,809,137.
2	Total expenses (must equal Part IX, column (A), line 25)	2	4,109,218.
3	Revenue less expenses. Subtract line 2 from line 1	3	699,919.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	5,985,091.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	<365,672.>
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	6,319,338.

Part XII **Financial Statements and Reporting**

Check if Schedule O contains a response to any question in this Part XII [X]

			Yes	No
1	Accounting method used to prepare the Form 990: [ ] Cash [X] Accrual [ ] Other ______ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	X	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: [X] Separate basis [ ] Consolidated basis [ ] Both consolidated and separate basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.	3b		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047
2011
Open to Public Inspection

Name of the organization THE FRIEDMAN FOUNDATION FOR EDUCATIONAL CHOICE INC.

Employer identification number 35-1978359

Part I **Reason for Public Charity Status** (All organizations must complete this part) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)
3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: ____
5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II)
9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III)
10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I b ☐ Type II c ☐ Type III - Functionally integrated d ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)		
(ii) A family member of a person described in (i) above?	11g(ii)		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)		

h Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document? Yes	No	(v) Did you notify the organization in col. (i) of your support? Yes	No	(vi) Is the organization in col. (i) organized in the U.S.? Yes	No	(vii) Amount of support
Total									

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.**

Schedule A (Form 990 or 990-EZ) 2011

132021
01-24-12

16161010 757887 52053GS0000 2011.04030 THE FRIEDMAN FOUNDATION FOR 52053GS1

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	4,029,775.	3,614,015.	3,484,296.	4,214,115.	4,498,513.	19,840,714.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3	4,029,775.	3,614,015.	3,484,296.	4,214,115.	4,498,513.	19,840,714.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						9,100,230.
6 **Public support.** Subtract line 5 from line 4						10,740,484.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4	4,029,775.	3,614,015.	3,484,296.	4,214,115.	4,498,513.	19,840,714.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	331,094.	257,849.	134,075.	96,407.	59,604.	879,029.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)	6,747.	509.				7,256.
11 **Total support.** Add lines 7 through 10						20,726,999.

12 Gross receipts from related activities, etc. (see instructions) | 12 |

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f)) | 14 | 51.82 %

15 Public support percentage from 2010 Schedule A, Part II, line 14 | 15 | 54.93 %

16a **33 1/3% support test - 2011.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ [X]

b **33 1/3% support test - 2010.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10% -facts-and-circumstances test - 2011.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶ ☐

b **10% -facts-and-circumstances test - 2010.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐

Part III **Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II If the organization fails to qualify under the tests listed below, please complete Part II)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support** (Add lines 9, 10c, 11, and 12)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	15		%
16 Public support percentage from 2010 Schedule A, Part III, line 15	16		%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2011** (line 10c, column (f) divided by line 13, column (f))	17		%
18 Investment income percentage from **2010** Schedule A, Part III, line 17	18		%

19a **33 1/3% support tests - 2011.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support tests - 2010.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10, Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information (See instructions)

SCHEDULE A, PART II, LINE 10, EXPLANATION FOR OTHER INCOME:

2007 REAL ESTATE TAX REBATE

2008 LEASE CONSTRUCTION ALLOWANCE

SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
▶ **See separate instructions.**

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2011

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If the organization answered "Yes" to Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations· Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes" to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A. Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A

If the organization answered "Yes" to Form 990, Part IV, line 5 (Proxy Tax), or Form 990-EZ, Part V, line 35c (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization	Employer identification number
THE FRIEDMAN FOUNDATION FOR EDUCATIONAL CHOICE INC.	35-1978359

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
2 Political expenditures ▶ $ ______
3 Volunteer hours ______

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $ ______
2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $ ______
3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No
4a Was a correction made? ☐ Yes ☐ No
b If "Yes," describe in Part IV

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $ ______
2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ $ ______
3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ $ ______
4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No
5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

(a) Name	**(b)** Address	**(c)** EIN	**(d)** Amount paid from filing organization's funds If none, enter -0-	**(e)** Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-.

Part II-A **Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

A Check ▶ ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)	23,721.	
b Total lobbying expenditures to influence a legislative body (direct lobbying)	57,498.	
c Total lobbying expenditures (add lines 1a and 1b)	81,219.	
d Other exempt purpose expenditures	4,027,999.	
e Total exempt purpose expenditures (add lines 1c and 1d)	4,109,218.	
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.	355,461.	

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000.
Over $17,000,000	$1,000,000

	(a) Filing organization's totals	(b) Affiliated group totals
g Grassroots nontaxable amount (enter 25% of line 1f)	88,865.	
h Subtract line 1g from line 1a If zero or less, enter -0-	0.	
i Subtract line 1f from line 1c If zero or less, enter -0-	0.	

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ Yes ☐ No

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2a Lobbying nontaxable amount	316,378.	329,588.	354,167.	355,461.	1,355,594.
b Lobbying ceiling amount (150% of line 2a, column(e))					2,033,391.
c Total lobbying expenditures	13,798.	23,627.	47,404.	81,219.	166,048.
d Grassroots nontaxable amount	79,095.	82,397.	88,542.	88,865.	338,899.
e Grassroots ceiling amount (150% of line 2d, column (e))					508,349.
f Grassroots lobbying expenditures		12,803.	15,463.	23,721.	51,987.

Part II-B **Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).**

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a) Yes	(a) No	(b) Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c Media advertisements?			
d Mailings to members, legislators, or the public?			
e Publications, or published or broadcast statements?			
f Grants to other organizations for lobbying purposes?			
g Direct contact with legislators, their staffs, government officials, or a legislative body?			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i Other activities?			
j Total Add lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1		
2	Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		
3	Did the organization agree to carry over lobbying and political expenditures from the prior year?	3		

Part III-B **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."**

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) nondeductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).**		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV **Supplemental Information**

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4, Part I-C, line 5, Part II-A; and Part II-B, line 1. Also, complete this part for any additional information.

THE FRIEDMAN FOUNDATION FOR EDUCATIONAL CHOICE IS NEVER INVOLVED IN POLITICAL CAMPAIGNS. THE SUBSTANTIAL ACTIVITY UNDERTAKEN BY THE FRIEDMAN FOUNDATION FOR EDUCATIONAL CHOICE IS EDUCATIONAL IN NATURE. CONSISTENT WITH A NONPROFIT ORGANIZATION WITH "H ELECTION," THE FOUNDATION ALSO UNDERTAKES LIMITED LOBBYING ACTIVITIES IN CERTAIN STATES TO AID IN THE PASSAGE OF LEGISLATION THAT ENABLES PARENTS TO RECEIVE A PUBLICLY FUNDED

Part IV **Supplemental Information** *(continued)*

VOUCHER OR A TAX CREDIT FUNDED SCHOLARSHIP TO SEND THEIR CHILDREN TO APPROVED PRIVATE SCHOOLS. IN 2011, THESE ACTIVITIES INCLUDED ALLOCATING STAFF TIME FOR DIRECT LOBBYING TO STATE LEGISLATORS AND ENCOURAGING THE GENERAL PUBLIC TO SUPPORT SPECIFIC LEGISLATION.

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047
2011
Open to Public Inspection

Name of the organization: THE FRIEDMAN FOUNDATION FOR EDUCATIONAL CHOICE INC.

Employer identification number: 35-1978359

Part I — Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II — Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
- ☐ Preservation of land for public use (e.g., recreation or education)
- ☐ Preservation of an historically important land area
- ☐ Protection of natural habitat
- ☐ Preservation of a certified historic structure
- ☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

			Held at the End of the Tax Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ ____________

4 Number of states where property subject to conservation easement is located ▶ ____________

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ ____________

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ ____________

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III — Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ ____________

(ii) Assets included in Form 990, Part X ▶ $ ____________

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ $ ____________

b Assets included in Form 990, Part X ▶ $ ____________

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other ______

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV **Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V **Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ▶ ______ %

b Permanent endowment ▶ ______ %

c Temporarily restricted endowment ▶ ______ %

The percentages in lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI **Land, Buildings, and Equipment.** See Form 990, Part X, line 10

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		72,480.	30,509.	41,971.
d Equipment		125,879.	124,179.	1,700.
e Other				
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				43,671.

Part VII Investments - Other Securities. See Form 990, Part X, line 12

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15)* ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	

2. FIN 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740)

132053 01-23-12

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	4,809,137.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	4,109,218.
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	699,919.
4	Net unrealized gains (losses) on investments	4	<365,672.>
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	<365,672.>
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	334,247.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	4,443,465.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains on investments	2a	<365,672.>		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV.)	2d			
e	Add lines 2a through 2d			2e	<365,672.>
3	Subtract line 2e from line 1			3	4,809,137.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV.)	4b			
c	Add lines 4a and 4b			4c	0.
5	Total revenue Add lines 3 and 4c. *(This must equal Form 990, Part I, line 12.)*			5	4,809,137.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	4,109,218.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines 2a through 2d			2e	0.
3	Subtract line 2e from line 1			3	4,109,218.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV.)	4b			
c	Add lines 4a and 4b			4c	0.
5	Total expenses Add lines 3 and 4c. *(This must equal Form 990, Part I, line 18.)*			5	4,109,218.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b; Part V, line 4, Part X, line 2, Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b Also complete this part to provide any additional information.

PART X, LINE 2: THE FOUNDATION IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. THEREFORE, NO PROVISION OR LIABILITY FOR INCOME TAXES HAS BEEN INCLUDED IN THE FINANCIAL STATEMENTS. IN ADDITION, THE FOUNDATION HAS BEEN DETERMINED BY THE INTERNAL REVENUE SERVICE NOT TO BE A PRIVATE FOUNDATION WITHIN THE MEANING OF SECTION 509(A) OF THE INTERNAL REVENUE CODE. THERE WAS NO UNRELATED TAXABLE BUSINESS INCOME FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010.

Part XIV Supplemental Information *(continued)*

THE FOUNDATION FILES U.S. FEDERAL AND STATE OF INDIANA INFORMATIONAL TAX RETURNS. THE FOUNDATION IS NO LONGER SUBJECT TO U.S. FEDERAL AND STATE TAX EXAMINATIONS BY TAX AUTHORITIES FOR YEARS BEFORE 2008.

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

▶ Attach to Form 990.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization THE FRIEDMAN FOUNDATION FOR EDUCATIONAL CHOICE INC.

Employer identification number 35-1978359

Part I **General Information on Grants and Assistance**

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? [X] Yes [ ] No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II **Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Part II can be duplicated if additional space is needed ▶ [ ]

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
AGUDATH ISRAEL OF ILLINOIS DBA AGUDATH ISRAEL OF AMERICA - 42 BROADWAY, 14TH FLOOR - NEW YORK, NY 10004	36-3529801	501(C)(3)	10,000.	0.			GENERAL OPERATING SUPPORT
AMERICANS FOR PROSPERITY FOUNDATION - 2111 WILSON BLVD., SUITE 350 - ARLINGTON, VA 22201	52-1527294	501(C)(3)	29,000.	0.			SUPPORT TO HOST OR COORDINATE AN EVENT ON JULY 29, 2011 TO HONOR THE LEGACY OF MILTON
BLACK ALLIANCE FOR EDUCATIONAL OPTIONS - 888 16TH ST., NW, SUITE 800 - WASHINGTON, DC 20006	41-2045142	501(C)(3)	17,000.	0.			SUPPORT FOR BAEO'S 2011 NATIONAL SYMPOSIUM IN MARCH 2011, INCLUDING SUPPORT FOR THE
CITIZENS CONCERNED FOR THE CONSTITUTION DBA ADVANCE AMERICA - 101 W. OHIO ST., SUITE 660 - INDIANAPOLIS, IN 46204	35-1510587	501(C)(3)	40,000.	0.			SUPPORT FOR EDUCATIONAL MEETINGS AND MARKETING MATERIALS FOR EDUCATION PARENTS AND LEADERS;
EDUCATION ACTION GROUP FOUNDATION 801 W. NORTON AVE., FLOOR 1 MUSKEGON, MI 49441	26-0877115	501(C)(3)	35,000.	0.			GENERAL OPERATING SUPPORT CONSISTENT WITH THE EDUCATIONAL PURPOSE OF THE EDUCATION ACTION
GEORGIA FAMILY EDUCATION AND RESEARCH COUNCIL, INC. DBA CENTER FOR AN EDUCA - 3500 PARKWAY LANE, SUITE 460 - NORCROSS, GA 30092	58-1928520	501(C)(3)	40,000.	0.			GENERAL OPERATING SUPPORT FOR EDUCATING THE PUBLIC ABOUT THE BENEFITS OF SCHOOL CHOICE.

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 25.

3 Enter total number of other organizations listed in the line 1 table ▶ 0.

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990.** **Schedule I (Form 990) (2011)**

SEE PART IV FOR COLUMN (H) DESCRIPTIONS

132101 01-27-12

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
IDAHO FREEDOM FOUNDATION INC. PO BOX 2801 BOISE, ID 83701	26-3783048	501(C)(3)	26,000.	0.			GENERAL OPERATING SUPPORT FOR ORGANIZING STATEWIDE EFFORTS TO EDUCATE PARENTS, THE PRESS AND
INDIANA FAMILY INSTITUTE INC. 155 EAST MARKET STREET, SUITE 307 INDIANAPOLIS, IN 46204	35-1790240	501(C)(3)	5,000.	0.			SUPPORT TO EDUCATE THE PUBLIC ABOUT SCHOOL CHOICE.
INDIANA LEADERSHIP FORUM INC. P.O. BOX 3021 INDIANAPOLIS, IN 46206	48-1275668	501(C)(3)	7,500.	0.			SUPPORT FOR EDUCATIONAL MEETINGS, THE ANNUAL LUNCHEON, AND THE ANNUAL CLASS TRIP TO WASHINGTON,
INDIANA NON-PUBLIC EDUCATION ASSOCIATION INC. - 1400 NORTH MERIDIAN STREET - INDIANAPOLIS, IN 46202	35-1474166	501(C)(3)	50,000.	0.			SUPPORT FOR SIX-MONTH IMPLEMENTATION PROJECT TO HIRE A PRIVATE SCHOOL LIAISON TO ASSIST PRIVATE
INSTITUTE FOR JUSTICE 901 NORTH GLEBE ROAD, SUITE 900 ARLINGTON, VA 22203	52-1744337	501(C)(3)	8,000.	0.			SUPPORT TO FURTHER RESEARCH ON SCHOOL CHOICE TAX CREDITS IN STATES, AND TO PREPARE REPORT
IOWA ALLIANCE FOR CHOICE IN EDUCATION - PO BOX 12219 - DES MOINES, IA 50312	20-4240578	501(C)(3)	26,000.	0.			GENERAL OPERATING SUPPORT FOR EDUCATIONAL ACTIVITIES.
KANSAS POLICY INSTITUTE 250 NORTH WATER, SUITE 216 WICHITA, KS 67202	23-7047821	501(C)(3)	15,000.	0.			SUPPORT FOR HOSTING A FACT-FINDING EDUCATIONAL FORUM AND CONDUCTING ADVERTISING OUTREACH
MONTANA FAMILY FOUNDATION INC. P.O. BOX 485 LAUREL, MT 59044	75-3008481	501(C)(3)	10,000.	0.			GENERAL OPERATING SUPPORT FOR EDUCATIONAL PROJECTS THAT ANALYZE AND COMMUNICATE THE BENEFITS
OKLAHOMA COUNCIL OF PUBLIC AFFAIRS INC. - 1401 NORTH LINCOLN BLVD. - OKLAHOMA CITY, OK 73104	73-1436375	501(C)(3)	61,000.	0.			GENERAL OPERATING SUPPORT FOR EDUCATIONAL ACTIVITIES TO BUILD AWARENESS AND SUPPORT FOR

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
PARENTS FOR EDUCATIONAL FREEDOM IN NORTH CAROLINA - 4900 FALLS OF NEUSE ROAD, SUITE 155 - RALEIGH, NC 27609	20-2754466	501(C)(3)	25,000.	0.			GENERAL OPERATING SUPPORT FOR EDUCATIONAL MEETINGS AND OUTREACH EFFORTS FOR SCHOOL CHOICE.
SCHOOL CHOICE INDIANA INC. P.O. BOX 441078 INDIANAPOLIS, IN 46204	20-4046250	501(C)(3)	205,000.	0.			GENERAL OPERATING SUPPORT FOR EDUCATIONAL EFFORTS TO RAISE PUBLIC AWARENESS OF SCHOOL CHOICE PROGRAMS
SCHOOL CHOICE OHIO INC. 88 E. BROAD ST., SUITE 640 COLUMBUS, OH 43215	20-3130699	501(C)(3)	20,000.	0.			GENERAL OPERATING SUPPORT TO EDUCATE ON SCHOOL CHOICE AND INCREASE AWARENESS OF OHIO'S
SCHOOL CHOICE WISCONSIN INC. 2025 N. SUMMIT AVE., SUITE 103 MILWAUKEE, WI 53202	38-3695127	501(C)(3)	60,000.	0.			GENERAL OPERATING SUPPORT FOR EDUCATIONAL ACTIVITIES.
SCHOOLS THAT CAN 1040 FIRST AVE., SUITE 346 NEW YORK, NY 10022	36-4268793	501(C)(3)	10,000.	0.			SUPPORT FOR THE SCHOOLS THAT CAN 2011 NATIONAL FORUM ON QUALITY EDUCATION AND SCHOOL
SOUTH CAROLINA ASSOCIATION OF INDEPENDENT SCHOOLS SERVING MINORITY CHILDREN - 1301 GERVAIS ST., SUITE 480 - COLUMBIA, SC	20-4299824	501(C)(3)	15,000.	0.			GENERAL OPERATING SUPPORT FOR EDUCATIONAL PROJECT WORK THAT COMMUNICATES THE BENEFITS OF SCHOOL
SOUTH CAROLINA FOR RESPONSIBLE GOVERNMENT FOUNDATION - 1301 GERVAIS ST., SUITE 480 - COLUMBIA, SC 29201	20-3128872	501(C)(3)	32,500.	0.			SUPPORT FOR RESEARCH AND MARKETING MATERIALS TO EDUCATE PARENTS AND OPINION LEADERS ABOUT
TENNESSEE CENTER FOR POLICY RESEARCH - P.O. BOX 198646 - NASHVILLE, TN 37219	20-1808567	501(C)(3)	11,000.	0.			SUPPORT TO HOST OR COORDINATE AN EVENT ON JULY 29, 2011, TO HONOR THE LEGACY OF MILTON
TEXAS JUSTICE FOUNDATION INC. 8122 DATAPOINT, SUITE 812 SAN ANTONIO, TX 78229	74-2676958	501(C)(3)	25,000.	0.			GENERAL OPERATING SUPPORT FOR EDUCATIONAL ACTIVITIES.

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
THE REACH FOUNDATION PO BOX 2183 HARRISBURG, PA 17108	25-1744411	501(C)(3)	11,000.	0.			GENERAL OPERATING SUPPORT FOR EDUCATIONAL ACTIVITIES. SUPPORT TO HOST OR COORDINATE AN

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information

SCHEDULE I, PART I, LINE 2: THE FOUNDATION ACCEPTS APPLICATIONS FOR GRANTS THAT CONFORM TO OUR TAX-EXEMPT PURPOSE AND EDUCATIONAL MISSION. APPLICATIONS MUST INCLUDE A BRIEF DESCRIPTION OF THE PROJECT, AMOUNT REQUESTED, PROJECT BUDGET, METHOD TO EVALUATE SUCCESS, BOARD OF DIRECTORS LIST, AND FINANCIAL STATEMENT. THE FOUNDATION'S PROGRAM STAFF REVIEW THE REQUEST AND SUBMIT SUGGESTED GRANTS TO THE EXECUTIVE MANAGEMENT. AFTER APPROVAL, THE VICE PRESIDENT OF OPERATIONS REVIEWS THE REQUEST FOR PROPER DOCUMENTATION AND WRITES THE GRANT AGREEMENT WHICH IS SIGNED BY GRANTEE AND THEN PAYMENT IS MADE. PROGRAM STAFF WORK CLOSELY WITH

Part IV Supplemental Information

GRANTEE TO ENSURE ADHERENCE TO AGREEMENT AND USE OF GRANT FUNDS. GRANTEES ARE REQUIRED TO SUBMIT A FINAL REPORT ON PROJECT, INCLUDING HOW FUNDS WERE USED, IN A TIMELY MANNER AS NOTED IN THE GRANT AGREEMENT.

PART II, LINE 1, COLUMN (H):

NAME OF ORGANIZATION OR GOVERNMENT: AMERICANS FOR PROSPERITY FOUNDATION

(H) PURPOSE OF GRANT OR ASSISTANCE: SUPPORT TO HOST OR COORDINATE AN EVENT ON JULY 29, 2011 TO HONOR THE LEGACY OF MILTON FRIEDMAN AND HIS IDEAS.

NAME OF ORGANIZATION OR GOVERNMENT:

BLACK ALLIANCE FOR EDUCATIONAL OPTIONS

(H) PURPOSE OF GRANT OR ASSISTANCE: SUPPORT FOR BAEO'S 2011 NATIONAL SYMPOSIUM IN MARCH 2011, INCLUDING SUPPORT FOR THE SCHOLARSHIP FUND THAT ASSISTS ATTENDEES WITH TUITION FEES AND EXPENSES. OPERATING SUPPORT FOR MISSOURI CHAPTER.

NAME OF ORGANIZATION OR GOVERNMENT:

CITIZENS CONCERNED FOR THE CONSTITUTION DBA ADVANCE AMERICA

(H) PURPOSE OF GRANT OR ASSISTANCE: SUPPORT FOR EDUCATIONAL MEETINGS AND MARKETING MATERIALS FOR EDUCATION PARENTS AND LEADERS; SUPPORT IMPLEMENTATION OF INDIANA VOUCHER PROGRAM INCLUDING EMAIL AND RADIO CAMPAIGN.

NAME OF ORGANIZATION OR GOVERNMENT: EDUCATION ACTION GROUP FOUNDATION

(H) PURPOSE OF GRANT OR ASSISTANCE: GENERAL OPERATING SUPPORT CONSISTENT WITH THE EDUCATIONAL PURPOSE OF THE EDUCATION ACTION GROUP'S 501C3 MISSION.

Part IV Supplemental Information

NAME OF ORGANIZATION OR GOVERNMENT: IDAHO FREEDOM FOUNDATION INC.

(H) PURPOSE OF GRANT OR ASSISTANCE: GENERAL OPERATING SUPPORT FOR ORGANIZING STATEWIDE EFFORTS TO EDUCATE PARENTS, THE PRESS AND COMMUNITY LEADERS ON THE BENEFITS OF SCHOOL CHOICE; SUPPORT TO HOST OR COORDINATE AN EVENT ON JULY 29, 2011 TO HONOR THE LEGACY OF MILTON FRIEDMAN AND HIS IDEAS.

NAME OF ORGANIZATION OR GOVERNMENT: INDIANA LEADERSHIP FORUM INC.

(H) PURPOSE OF GRANT OR ASSISTANCE: SUPPORT FOR EDUCATIONAL MEETINGS, THE ANNUAL LUNCHEON, AND THE ANNUAL CLASS TRIP TO WASHINGTON, DC.

NAME OF ORGANIZATION OR GOVERNMENT:

INDIANA NON-PUBLIC EDUCATION ASSOCIATION INC.

(H) PURPOSE OF GRANT OR ASSISTANCE: SUPPORT FOR SIX-MONTH IMPLEMENTATION PROJECT TO HIRE A PRIVATE SCHOOL LIAISON TO ASSIST PRIVATE SCHOOLS.

NAME OF ORGANIZATION OR GOVERNMENT: INSTITUTE FOR JUSTICE

(H) PURPOSE OF GRANT OR ASSISTANCE: SUPPORT TO FURTHER RESEARCH ON SCHOOL CHOICE TAX CREDITS IN STATES, AND TO PREPARE REPORT ANALYZING CURRENT TAX CREDITS AVAILABLE TO IDAHO TAXPAYERS.

NAME OF ORGANIZATION OR GOVERNMENT: KANSAS POLICY INSTITUTE

(H) PURPOSE OF GRANT OR ASSISTANCE: SUPPORT FOR HOSTING A FACT-FINDING EDUCATIONAL FORUM AND CONDUCTING ADVERTISING OUTREACH EFFORTS FOR THE FORUM.

NAME OF ORGANIZATION OR GOVERNMENT: MONTANA FAMILY FOUNDATION INC.

Part IV Supplemental Information

(H) PURPOSE OF GRANT OR ASSISTANCE: GENERAL OPERATING SUPPORT FOR EDUCATIONAL PROJECTS THAT ANALYZE AND COMMUNICATE THE BENEFITS OF SCHOOL CHOICE TO PARENTS, OPINION LEADERS AND THE MEDIA.

NAME OF ORGANIZATION OR GOVERNMENT:
OKLAHOMA COUNCIL OF PUBLIC AFFAIRS INC.
(H) PURPOSE OF GRANT OR ASSISTANCE: GENERAL OPERATING SUPPORT FOR EDUCATIONAL ACTIVITIES TO BUILD AWARENESS AND SUPPORT FOR SCHOOL CHOICE IN OKLAHOMA; SPONSORSHIP OF LIBERTY GALA; SUPPORT TO HOST OR COORDINATE AND EVENT ON JULY 29, 2011 TO HONOR THE LEGACY OF MILTON FRIEDMAN AND HIS IDEAS.

NAME OF ORGANIZATION OR GOVERNMENT: SCHOOL CHOICE INDIANA INC.
(H) PURPOSE OF GRANT OR ASSISTANCE: GENERAL OPERATING SUPPORT FOR EDUCATIONAL EFFORTS TO RAISE PUBLIC AWARENESS OF SCHOOL CHOICE PROGRAMS AND FOR RESEARCH AND EDUCATIONAL MATERIALS REGARDING SCHOOL CHOICE IN INDIANA. SUPPORT OF MARKETING EFFORTS INCLUDING MATERIALS, STAFF, DATABASE DEVELOPMENT AND PARENT OUTREACH.

NAME OF ORGANIZATION OR GOVERNMENT: SCHOOL CHOICE OHIO INC.
(H) PURPOSE OF GRANT OR ASSISTANCE: GENERAL OPERATING SUPPORT TO EDUCATE ON SCHOOL CHOICE AND INCREASE AWARENESS OF OHIO'S SCHOOL CHOICE PROGRAMS.

NAME OF ORGANIZATION OR GOVERNMENT: SCHOOLS THAT CAN
(H) PURPOSE OF GRANT OR ASSISTANCE: SUPPORT FOR THE SCHOOLS THAT CAN 2011 NATIONAL FORUM ON QUALITY EDUCATION AND SCHOOL CHOICE TO HELP ENHANCE THE COLLABORATIVE EFFORTS BETWEEN POLICY LEADERS AND QUALITY SCHOOLS IMPLEMENTERS TO EDUCATE AND BUILD SUPPORT FOR SCHOOL CHOICE.

Part IV Supplemental Information

NAME OF ORGANIZATION OR GOVERNMENT:

SOUTH CAROLINA ASSOCIATION OF INDEPENDENT SCHOOLS SERVING MINORITY CHILDREN

(H) PURPOSE OF GRANT OR ASSISTANCE: GENERAL OPERATING SUPPORT FOR EDUCATIONAL PROJECT WORK THAT COMMUNICATES THE BENEFITS OF SCHOOL CHOICE PROGRAMS WITH A SPECIFIC FOCUS ON OPINION-LEADERS IN AFRICAN-AMERICAN COMMUNITIES.

NAME OF ORGANIZATION OR GOVERNMENT:

SOUTH CAROLINA FOR RESPONSIBLE GOVERNMENT FOUNDATION

(H) PURPOSE OF GRANT OR ASSISTANCE: SUPPORT FOR RESEARCH AND MARKETING MATERIALS TO EDUCATE PARENTS AND OPINION LEADERS ABOUT SCHOOL CHOICE.

NAME OF ORGANIZATION OR GOVERNMENT: TENNESSEE CENTER FOR POLICY RESEARCH

(H) PURPOSE OF GRANT OR ASSISTANCE: SUPPORT TO HOST OR COORDINATE AN EVENT ON JULY 29, 2011, TO HONOR THE LEGACY OF MILTON FRIEDMAN AND HIS IDEAS.

NAME OF ORGANIZATION OR GOVERNMENT: THE REACH FOUNDATION

(H) PURPOSE OF GRANT OR ASSISTANCE: GENERAL OPERATING SUPPORT FOR EDUCATIONAL ACTIVITIES. SUPPORT TO HOST OR COORDINATE AN EVENT ON JULY 29, 2011, TO HONOR THE LEGACY OF MILTON FRIEDMAN AND HIS IDEAS.

SCHEDULE J (Form 990)

Department of the Treasury Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization: THE FRIEDMAN FOUNDATION FOR EDUCATIONAL CHOICE INC.

Employer identification number: 35-1978359

Part I Questions Regarding Compensation

		Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items. ☐ First-class or charter travel ☐ Travel for companions ☐ Tax indemnification and gross-up payments ☐ Discretionary spending account ☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☐ Health or social club dues or initiation fees ☒ Personal services (e.g., maid, chauffeur, chef)			
b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	X	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	N/A	
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director Explain in Part III. ☒ Compensation committee ☐ Independent compensation consultant ☒ Form 990 of other organizations ☐ Written employment contract ☒ Compensation survey or study ☒ Approval by the board or compensation committee			
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a Receive a severance payment or change-of-control payment?	4a		X
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b		X
c Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III	4c		X
Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.			
5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a The organization?	5a		X
b Any related organization? If "Yes" to line 5a or 5b, describe in Part III.	5b		X
6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a The organization?	6a		X
b Any related organization? If "Yes" to line 6a or 6b, describe in Part III	6b		X
7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		X
8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		X
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9		

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 ROBERT C. ENLOW	(i)	193,000.	0.	0.	0.	20,762.	213,762.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 LESLIE HINER	(i)	153,300.	0.	0.	0.	5,629.	158,929.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3	(i)							
	(ii)							
4	(i)							
	(ii)							
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information

PART I, LINE 1A: THE FOUNDATION'S PRESIDENT EMERITUS (DECEASED OCT. 2011) HAD A DISABILITY. TO ACCOMMODATE THIS DISABILITY, A FOUNDATION EMPLOYEE PROVIDED TRANSPORTATION TO THE PRESIDENT EMERITUS ON A PERIODIC BASIS (APPROXIMATELY 2-3 TIMES PER MONTH). THE FOUNDATION EMPLOYEE IS A FULL TIME STAFF MEMBER THAT PROVIDES COMMUNICATIONS AND NEWS MEDIA SERVICES TO THE FOUNDATION. THE TRANSPORTATION SERVICES THAT HE PROVIDED TO THE PRESIDENT EMERITUS WAS A DE MINIMIS PART OF HIS RESPONSIBILITIES TO THE FOUNDATION.

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047
2011
Open To Public Inspection

Name of the organization: THE FRIEDMAN FOUNDATION FOR EDUCATIONAL CHOICE INC.

Employer identification number: 35-1978359

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1 (a) Name of disqualified person	(b) Description of transaction	(c) Corrected? Yes	No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ $

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	No	(f) Approved by board or committee? Yes	No	(g) Written agreement? Yes	No
Total			▶ $							

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance

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

132131 01-19-12

Part IV **Business Transactions Involving Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	No
ANDREW ST. ANGELO	FAMILY MEMBER OF GO	35,506.	EMPLOYMENT;		X
EMMIS COMMUNICATIONS CORP.	OFFICER SCOTT ENRIG	210,325.	CONTRACT; S		X

Part V **Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

(A) NAME OF PERSON: ANDREW ST. ANGELO

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY MEMBER OF GORDON ST. ANGELO

(C) AMOUNT OF TRANSACTION $ 35,506.

(D) DESCRIPTION OF TRANSACTION: EMPLOYMENT; ANDREW ST. ANGELO IS THE GRANDSON OF GORDON ST. ANGELO (DECEASED), THE FOUNDATION'S PRESIDENT EMERITUS. ANDREW ST. ANGELO IS EMPLOYED BY THE FOUNDATION AND RECEIVED REASONABLE COMPENSATION FOR SERVICES HE PROVIDES TO THE FOUNDATION.

(E) SHARING OF ORGANIZATION REVENUES? = NO

(A) NAME OF PERSON: EMMIS COMMUNICATIONS CORP.

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

OFFICER SCOTT ENRIGHT IS EXEC. V.P. AND GENERAL COUNSEL OF EMMIS

(C) AMOUNT OF TRANSACTION $ 210,325.

(D) DESCRIPTION OF TRANSACTION: CONTRACT; SCOTT ENRIGHT IS BOARD SECRETARY (EX OFFICIO) OF FRIEDMAN FOUNDATION FOR EDUC. CHOICE. HE IS EXEC. VICE PRESIDENT AND GENERAL COUNSEL OF EMMIS COMMUNICATIONS. THE FRIEDMAN FOUNDATION FOR EDUCATIONAL CHOICE ENGAGED EMMIS COMMUNICATIONS TO CREATE AND MANAGE A PUBLIC AWARENESS CAMPAIGN TO EDUCATE THE PUBLIC ON

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

THE BENEFITS OF SCHOOL CHOICE IN INDIANA. THE FOUNDATION EXECUTIVE STAFF DETERMINED THAT THE TRANSACTION REPRESENTED AN ARMS' LENGTH FAIR-MARKET VALUE FOR THE BENEFIT OF THE FOUNDATION. MR. ENRIGHT WAS NOT INVOLVED IN ANY DECISION-MAKING ASPECT OF THE TRANSACTION. THE BOARD OF DIRECTORS REVIEWED THE TRANSACTION, WITHOUT THE PARTICIPATION OF MR. ENRIGHT, AND DETERMINED THERE WAS NOT A CONFLICT OF INTEREST.

(E) SHARING OF ORGANIZATION REVENUES? = NO

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047
2011
Open to Public Inspection

Name of the organization: THE FRIEDMAN FOUNDATION FOR EDUCATIONAL CHOICE INC.

Employer identification number: 35-1978359

FORM 990, PART VI, SECTION A, LINE 2: JANET FRIEDMAN MARTEL AND DAVID FRIEDMAN ARE SIBLINGS.

FORM 990, PART VI, SECTION B, LINE 11: THE IRS FORM 990 IS COMPLETED BY AN OUTSIDE ACCOUNTING FIRM, KATZ SAPPER & MILLER, IN CONJUNCTION WITH THE FOUNDATION'S VICE PRESIDENT OF OPERATIONS AND CONTROLLER. ONCE THE 990 IS COMPLETE, IT IS REVIEWED BY A PARTNER OF KATZ SAPPER & MILLER AND THEN BY THE FOUNDATION PRESIDENT & CEO, VICE PRESIDENT OF OPERATIONS, CONTROLLER, SECRETARY AND AN OUTSIDE ATTORNEY. UPON COMPLETION, THE FINAL FORM IS SENT TO THE FULL BOARD OF DIRECTORS FOR REVIEW BEFORE FILING.

FORM 990, PART VI, SECTION B, LINE 12C: THE FOUNDATION'S BOARD OF DIRECTORS HAS ADOPTED A CONFLICT OF INTEREST POLICY THAT REQUIRES DIRECTORS, OFFICERS AND KEY EMPLOYEES TO SUBMIT AN ANNUAL CONFLICT OF INTEREST DISCLOSURE. THE ANNUAL DISCLOSURE REQUIRES DIRECTORS, OFFICERS AND KEY EMPLOYEES TO DISCLOSE, IN WRITING, ANY KNOWN FINANCIAL INTEREST THAT THE INDIVIDUAL (TOGETHER WITH FAMILY MEMBERS) HAS IN ANY BUSINESS ENTITY THAT TRANSACTS BUSINESS WITH THE FOUNDATION. IN ADDITION, DIRECTORS, OFFICERS AND KEY EMPLOYEES ARE REQUIRED TO IMMEDIATELY DISCLOSE ANY POSSIBLE CONFLICT OF INTEREST THAT ARISES MID-YEAR IN RELATION TO A PROPOSED TRANSACTION. THE CONFLICT OF INTEREST POLICY REQUIRES THAT ANY INDIVIDUAL WITH A CONFLICT BE RECUSED FROM THE DECISION-MAKING PROCESS, THAT INDEPENDENT DIRECTORS DETERMINE WHETHER THE PROPOSED TRANSACTION IS IN THE BEST INTERESTS OF THE FOUNDATION, AND THE TRANSACTION MUST BE APPROVED BY A VOTE OF THE INDEPENDENT DIRECTORS WITHOUT THE PARTICIPATION OF ANY INTERESTED INDIVIDUAL. THE ANNUAL CONFLICT DISCLOSURE STATEMENTS ARE

Name of the organization THE FRIEDMAN FOUNDATION FOR EDUCATIONAL CHOICE INC.

Employer identification number 35-1978359

SUBMITTED TO, AND REVIEWED BY, THE FOUNDATION'S VICE PRESIDENT OF OPERATIONS. IN ADDITION, THE EXECUTIVE STAFF OF THE FOUNDATION ARE RESPONSIBLE FOR MONITORING ANY POSSIBLE CONFLICT TRANSACTIONS THAT ARISE AND MANAGING THEM TO ENSURE THAT ALL TRANSACTIONS REPRESENT ARMS' LENGTH, FAIR MARKET VALUE TERMS FOR THE BENEFIT OF THE FOUNDATION.

FORM 990, PART VI, SECTION B, LINE 15A: THE FOUNDATION'S BOARD OF DIRECTORS HAS ADOPTED AN EXECUTIVE COMPENSATION AND INTERMEDIATE SANCTIONS POLICY. THE PURPOSE OF THE POLICY IS TO ENSURE THAT THE FOUNDATION'S COMPENSATION ARRANGEMENTS WITH RELATED PARTIES ARE EVALUATED AND ENTERED AT ARMS' LENGTH AND THAT ANY COMPENSATION THAT IS PAID TO A RELATED PARTY IS REASONABLE AND REFLECTS FAIR MARKET VALUE. THE POLICY ENCOURAGES THE APPLICATION OF THE REBUTTABLE PRESUMPTION STANDARD OF CODE SECTION 4958 AND THE RELATED TREASURY REGULATIONS BY (A) EXCLUDING ANY INTERESTED PARTY FROM THE DECISION-MAKING PROCESS; (B) REQUIRING DISINTERESTED BOARD MEMBERS TO OBTAIN AND RELY UPON COMPARABILITY DATA WHEN SETTING THE PROPOSED COMPENSATION TERMS; (C) REQUIRING APPROVAL OF THE TRANSACTION IN ADVANCE BY DISINTERESTED DIRECTORS; AND (D) REQUIRING CONTEMPORANEOUS DOCUMENTATION (I.E., MINUTES) REFLECTING THE DECISION AND THE PROCESS BY WHICH IT WAS MADE. DURING JANUARY 2011, INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS, MEETING AS A SEPARATE COMMITTEE EVALUATED THE COMPENSATION OF THE PRESIDENT/CEO AND PRESIDENT EMERITUS, EVALUATED COMPARABILITY DATA, AND USED SUCH DATA TO SET THEIR COMPENSATION FOR 2011 AND 2012.

FORM 990, PART VI, LINE 17, LIST OF STATES RECEIVING COPY OF FORM 990: IN,AK,AR,CA,FL,GA,HI,KY,ME,MD,MA,MI,MS,NH,NJ,NM,NY,OK,OR,PA,WV,AL,AZ,CO,CT IL,MN,NC,OH,RI,SC,TN,UT,VA,WI

Name of the organization THE FRIEDMAN FOUNDATION FOR EDUCATIONAL CHOICE INC.

Employer identification number 35-1978359

FORM 990, PART VI, SECTION C, LINE 19: UPON REQUEST

FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:

NET UNREALIZED LOSSES ON INVESTMENTS: -365,672.

FORM 990, PART XII, LINE 2C

THE HAS BEEN NO CHANGE IN THIS PROCESS FROM PRIOR YEAR.

FORM 990, PART IX, LINE 18

PAYMENTS FOR TRAVEL FOR PUBLIC OFFICIALS

PAYMENTS ARE FOR TRAVEL EXPENSES INCURRED DURING FACT-FINDING

EDUCATIONAL TRIPS AND EDUCATIONAL SEMINARS HOSTED BY THE FOUNDATION.

EXPENSES COVERED INCLUDED TRANSPORTATION, HOTEL AND MEALS.

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box ▶ [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II **Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions THE FRIEDMAN FOUNDATION FOR EDUCATIONAL CHOICE INC.	Employer identification number (EIN) or [X] 35-1978359
	Number, street, and room or suite no. If a P.O. box, see instructions. ONE AMERICAN SQUARE, NO. 2420	Social security number (SSN) [ ]
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. INDIANAPOLIS, IN 46282	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 1

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ CAREY FOLCO, VICE PRESIDENT OF OPER ONE AMERICAN SQUARE, STE 2420 - INDIANAPOLIS, IN 46282

Telephone No. ▶ 317-681-0745 FAX No. ▶

- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______. If this is for the whole group, check this box ▶ [ ]. If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until NOVEMBER 15, 2012.

5 For calendar year 2011, or other tax year beginning ______, and ending ______.

6 If the tax year entered in line 5 is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension
ORGANIZATION REQUIRES ADDITIONAL TIME TO FILE A COMPLETE AND ACCURATE RETURN.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	8a	$ 0.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	$ 0.
c	**Balance due.** Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	8c	$ 0.

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ SIncroS Title ▶ CPA Date ▶ 8/10/12

123842
01-06-12

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