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Form **990-PF.**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

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

OMB No 1545-0052

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

Name of foundation LUKIS FOUNDATION		A Employer identification number 41-1708009
Number and street (or P O box number if mail is not delivered to street address) 125 WESTWOOD LANE	Room/suite	B Telephone number (see instructions)
City or town, state, and ZIP code WAYZATA MN 55391		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 865,853	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>		

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)			N/A	
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	0			
	4 Dividends and interest from securities	24,503	24,503		
	5 a Gross rents		0		
	b Net rental income or (loss)	0			
	6 a Net gain or (loss) from sale of assets not on line 10	0			
	b Gross sales price for all assets on line 6a	0			
	7 Capital gain net income (from Part IV, line 2)		15,377		
	8 Net short-term capital gain				
	9 Income modifications				
	10 a Gross sales less returns and allowances	0			
b Less: Cost of goods sold	0				
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)	0	0	0		
12 Total. Add lines 1 through 11	24,503	39,880	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16 a Legal fees (attach schedule)	0	0	0	0
	b Accounting fees (attach schedule)	2,340	2,340	0	0
	c Other professional fees (attach sched	11,361	11,361	0	0
	17 Interest				
	18 Taxes (atta 2010 FORM 990-PF, FOREIGN TAX	939	939	0	0
	19 Depreciation (attach schedule) and depletion	0	0	0	
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	0	0	0	0
	24 Total operating and administrative expenses.				
	Add lines 13 through 23	14,640	14,640	0	0
25 Contributions, gifts, grants paid	1,040,000			1,040,000	
26 Total expenses and disbursements. Add lines 24 and 25	1,054,640	14,640	0	1,040,000	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-1,030,137				
b Net investment income (if negative, enter -0-)		25,240			
c Adjusted net income (if negative, enter -0-)			0		

For Paperwork Reduction Act Notice, see instructions.

(HTA)

Form **990-PF** (2011)

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions.)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash—non-interest-bearing				
	2	Savings and temporary cash investments	946,346	4,502	4,502	
	3	Accounts receivable ▶	0			
		Less: allowance for doubtful accounts ▶	0	0	0	
	4	Pledges receivable ▶	0			
		Less: allowance for doubtful accounts ▶	0	0	0	
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)	0	0	0	
	7	Other notes and loans receivable (attach schedule) ▶	0			
		Less: allowance for doubtful accounts ▶	0	0	0	
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred ch 990-PF REFUND APPLIED	456	432	432	
	10 a	Investments—U.S. and state government obligations (attach schedule)	0	0	0	
	b	Investments—corporate stock (attach schedule) SCH I	850,159	777,267	860,919	
	c	Investments—corporate bonds (attach schedule)	0	0	0	
	11	Investments—land, buildings, and equipment basis ▶	0			
	Less: accumulated depreciation (attach schedule) ▶	0	0	0		
12	Investments—mortgage loans					
13	Investments—other (attach schedule)	0	0	0		
14	Land, buildings, and equipment: basis ▶	0				
	Less: accumulated depreciation (attach schedule) ▶	0	0	0		
15	Other assets (describe ▶)	0	0	0		
16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	1,796,961	782,201	865,853		
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons	0	0		
	21	Mortgages and other notes payable (attach schedule)	0	0		
	22	Other liabilities (describe ▶)	0	0		
	23	Total liabilities (add lines 17 through 22)	0	0		
Net Assets or Fund Balances		Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted	1,796,961	782,201		
	25	Temporarily restricted				
	26	Permanently restricted				
		Foundations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds	0	0		
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances (see instructions)	1,796,961	782,201			
31	Total liabilities and net assets/fund balances (see instructions)	1,796,961	782,201			

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,796,961
2	Enter amount from Part I, line 27a	2	-1,030,137
3	Other increases not included in line 2 (itemize) ▶ NET CAPITAL GAINS - SEE PART IV	3	15,377
4	Add lines 1, 2, and 3	4	782,201
5	Decreases not included in line 2 (itemize) ▶	5	0
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	782,201

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co.)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SHORT TERM - SCH II	P	VARIOUS	VARIOUS
b LONG TERM - SCH III	P	VARIOUS	VARIOUS
c CAPITAL GAIN DIVIDENDS (LONG TERM)	P	VARIOUS	VARIOUS
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 194,149	0	188,208	5,941
b 180,063	0	171,130	8,933
c 503	0	0	503
d 0	0	0	0
e 0	0	0	0

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a 0	0	0	5,941
b 0	0	0	8,933
c 0	0	0	503
d 0	0	0	0
e 0	0	0	0

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	15,377
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8	3	0

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	42,500	1,853,609	0.022928
2009	33,000	1,828,163	0.018051
2008	62,398	619,555	0.100714
2007	22,500	601,553	0.037403
2006	25,000	574,180	0.043540

2 Total of line 1, column (d)	2	0.222636
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.044527
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	1,239,385
5 Multiply line 4 by line 3	5	55,186
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	252
7 Add lines 5 and 6	7	55,438
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	1,040,000

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

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	252	
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).				
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0	
3 Add lines 1 and 2		3	252	
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4		
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	252	
6 Credits/Payments.				
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	432		
b Exempt foreign organizations—tax withheld at source	6b			
c Tax paid with application for extension of time to file (Form 8868)	6c	0		
d Backup withholding erroneously withheld	6d			
7 Total credits and payments. Add lines 6a through 6d	7	432		
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	0		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	180		
11 Enter the amount of line 10 to be Credited to 2012 estimated tax <input checked="" type="checkbox"/> 180 Refunded <input type="checkbox"/>	11	0		

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input checked="" type="checkbox"/> \$ _____ (2) On foundation managers. <input checked="" type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input checked="" type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> MN		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address ▶				
14	The books are in care of ▶ LAWRENCE LUKIS Telephone no. ▶			
	Located at ▶ 125 WESTWOOD LANE WAYZATA MN ZIP+4 ▶ 55391			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ 15			
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶			X

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

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

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

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

5b N/A

Organizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?☐ Yes ☐ No

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

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

6b X

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE SCHEDULE IV	.00	0	0	0
	.00	0	0	0
	.00	0	0	0
	.00	0	0	0
	.00	0	0	0

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

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

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		0
		0
		0
		0
		0
		0

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 CONTRIBUTIONS TO OTHER CHARITABLE ORGANIZATIONS	
SEE SCHEDULE V	1,040,000
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments. See instructions	
3	0
Total. Add lines 1 through 3	0

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	926,544
b	Average of monthly cash balances	1b	331,715
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	1,258,259
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	1,258,259
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	18,874
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,239,385
6	Minimum investment return. Enter 5% of line 5	6	61,969

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	61,969
2a	Tax on investment income for 2011 from Part VI, line 5	2a	252
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	0
c	Add lines 2a and 2b	2c	252
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	61,717
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	61,717
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	61,717

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	1,040,000
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,040,000
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	252
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,039,748

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				61,717
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only			18,532	
b Total for prior years: 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2011:				
a From 2006	0			
b From 2007	0			
c From 2008	0			
d From 2009	0			
e From 2010	0			
f Total of lines 3a through e	0			
4 Qualifying distributions for 2011 from Part XII, line 4: ► \$ <u>1,040,000</u>				
a Applied to 2010, but not more than line 2a			18,532	
b Applied to undistributed income of prior years (Election required—see instructions)		0		
c Treated as distributions out of corpus (Election required—see instructions)	0			
d Applied to 2011 distributable amount				61,717
e Remaining amount distributed out of corpus	959,751			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	0			0
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	959,751			
b Prior years' undistributed income. Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see instructions		0		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount—see instructions			0	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) .				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions) .	0			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	959,751			
10 Analysis of line 9:				
a Excess from 2007	0			
b Excess from 2008	0			
c Excess from 2009	0			
d Excess from 2010	0			
e Excess from 2011	959,751			

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year SEE SCHEDULE V				1,040,000
Total			▶ 3a	1,040,000
b Approved for future payment				
Total			▶ 3b	0

Enter gross amounts unless otherwise indicated.

(See worksheet in line 13 instructions to verify calculations.)

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See instructions)
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[illegible]

Form **990-PF** (2011)

THE LUKIS FOUNDATION M/A 10362500

FEDERAL CAPITAL GAIN DIVIDENDS

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LONG-TERM CAPITAL GAIN DIVIDENDS

15% RATE CAPITAL GAIN DIVIDENDS

PLUM CREEK TIMBER CO INC	180.60
SPDR BARCLAYS CAPTL CONV SEC	183.30
SPDR BARCLAYS CAPITAL HIGH YIELD BD	78.96
LITIGATION PROCEEDS	59.73

TOTAL 15% RATE CAPITAL GAIN DIVIDENDS

503.00

TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS (ROUNDED)

503.00

=====

SCHEDULE IV

Lukis Foundation

41-1708009

12/31/11

Part VIII, Line 1 - Officers and Directors

<u>Name and Address</u>	<u>Title and Hours</u>	<u>Benefit Plans</u>	<u>Expense Allowance</u>	<u>Compensation</u>
Lawrence J. Lukis 125 Westwood Lane Wayzata, MN 55391	President 2	0	0	0
Donna B. Lukis 125 Westwood Lane Wayzata, MN 55391	Secretary/ Treasurer 1	0	0	0
Donald Filareki 125 Westwood Lane Wayzata, MN 55391	Vice President 1	0	0	0

SCHEDULE V**Lukis Foundation****41-1708009****12/31/11**

Name and Address	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Arthritis Foundation 1876 Minnehaha Avenue St. Paul, MN 55104	N/A	501(c)(3)	Unrestricted	5,000
Gustavus Adolphus College St Peter, MN 56082	N/A	501(c)(3)	Unrestricted	1,010,000
Peace Lutheran Church 3695 County Rd 101 N Plymouth, MN 55446	N/A	501(c)(3)	Unrestricted	10,000
Camp Amnicon 8450 E. Camp Amnicon Rd South Range, WI 54874	N/A	501(c)(3)	Unrestricted	10,000
Minnesota Public Radio 480 Cedar Street St. Paul, MN 55101	N/A	501(c)(3)	Unrestricted	5,000
Total				<hr/> 1,040,000

THE LUKIS FOUNDATION M/A 10362500
Schedule D Detail of Short-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Short-term Gain/Loss
90. ABBOTT LABS	VAR	03/01/2011	4,299.29	4,784.21	-484.92
10. ALEXANDER & BALDWIN INC	09/28/2010	04/01/2011	533.01	349.82	183.19
50. AMERICAN EXPRESS CO	VAR	07/08/2011	2,642.06	2,207.18	434.88
15. ANSYS INC	09/28/2010	08/04/2011	766.93	638.77	128.16
5. APPLE INC	09/27/2010	08/10/2011	1,829.15	1,463.59	365.56
90. BIG LOTS INC	VAR	02/16/2011	3,679.49	2,842.14	837.35
45. CHEVRON CORP	09/29/2010	03/09/2011	4,618.23	3,656.20	962.03
50. CHEVRON CORP	09/29/2010	05/03/2011	5,271.39	4,062.45	1,208.94
105. EXPRESS SCRIPTS INC COMMON STOCK					
25000. FED HOME LN BK	06/14/2011	10/06/2011	4,189.35	5,973.35	-1,784.00
2.000% 1/14/13					
6. GRACO INC	01/14/2010	01/14/2011	25,000.00	25,000.00	
25. GRACO INC	06/16/2010	04/01/2011	269.43	190.58	78.85
60. HEWLETT PACKARD CO	09/29/2010	06/30/2011	1,266.71	792.58	474.13
170. IRON MOUNTAIN INC	VAR	04/04/2011	2,435.73	2,739.00	-303.27
760. ISHARES GOLD TRUST	VAR	09/16/2011	5,717.99	3,452.78	2,265.21
. ISHARES GOLD TRUST	02/24/2011	09/26/2011	11,884.35	10,467.35	1,417.00
60. ISHARES MSCI BRAZIL	02/24/2011	12/31/2011	14.11	17.31	-3.20
234. ISHARES MSCI JAPAN	07/02/2010	02/24/2011	4,414.55	3,822.60	591.95
571. ISHARES MSCI JAPAN	07/02/2010	02/25/2011	2,663.55	2,176.18	487.37
58. ISHARES MSCI JAPAN	07/02/2010	04/13/2011	5,671.40	5,310.24	361.16
160. ISHARES DOW JONES SELECT	11/01/2011	12/21/2011	515.03	540.43	-25.40
30. ISHARES DOW JONES SELECT	09/07/2010	01/26/2011	8,052.68	7,297.31	755.37
45. ISHARES DOW JONES SELECT	09/07/2010	03/09/2011	1,552.35	1,368.25	184.10
125. ISHARES DOW JONES SELECT	09/07/2010	03/22/2011	2,309.47	2,052.37	257.10
4. ISHARES BARCLAYS 1-3 YEAR	VAR	08/04/2011	6,039.34	6,522.33	-482.99
TREAS BOND					
4. ISHARES BARCLAYS 1-3 YEAR	10/21/2010	04/19/2011	335.90	337.80	-1.90
TREAS BOND					
2. ISHARES BARCLAYS 1-3 YEAR	10/01/2010	05/04/2011	336.39	337.32	-0.93
TREAS BOND					
9. ISHARES BARCLAYS 1-3 YEAR	10/01/2010	05/12/2011	168.26	168.66	-0.40
TREAS BOND					
TREAS BOND	VAR	05/16/2011	757.88	758.88	-1.00
Totals					

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THE LUKIS FOUNDATION M/A 10362500
Schedule D Detail of Short-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Short-term Gain/Loss
4. ISHARES BARCLAYS 1-3 YEAR TREAS BOND	10/21/2010	05/17/2011	336.91	337.10	-0.19
50. ISHARES BARCLAYS 1-3 YEAR TREAS BOND	VAR	05/26/2011	4,216.02	4,206.08	9.94
14. ISHARES BARCLAYS 1-3 YEAR TREAS BOND	VAR	06/08/2011	1,181.72	1,175.16	6.56
11. ISHARES BARCLAYS 1-3 YEAR TREAS BOND	VAR	06/10/2011	928.14	922.70	5.44
9. ISHARES BARCLAYS 1-3 YEAR TREAS BOND	04/01/2011	06/13/2011	759.32	753.82	5.50
25. ISHARES BARCLAYS 1-3 YEAR TREAS BOND	VAR	06/14/2011	2,107.46	2,091.60	15.86
15. ISHARES BARCLAYS 1-3 YEAR TREAS BOND	02/16/2011	06/21/2011	1,266.58	1,254.41	12.17
30. ISHARES BARCLAYS 1-3 YEAR TREAS BOND	02/16/2011	08/04/2011	2,536.45	2,508.83	27.62
31. ISHARES BARCLAYS 1-3 YEAR TREAS BOND	09/01/2011	11/22/2011	2,619.45	2,631.50	-12.05
75. ISHARES MSCI EAFE	02/24/2011	08/12/2011	3,937.04	4,511.11	-574.07
4. ISHARES MSCI EAFE	02/24/2011	12/21/2011	194.07	240.59	-46.52
85. JOHNSON & JOHNSON	VAR	03/01/2011	5,173.61	5,413.62	-240.01
20. MCDONALDS CORP	12/16/2010	07/18/2011	1,711.30	1,538.92	172.38
20. MEDNAX INC	09/28/2010	01/11/2011	1,384.21	1,062.29	321.92
5. METTLER-TOLEDO INTL INC	09/28/2010	03/01/2011	852.45	618.49	233.96
20. ROCK-TENN CO CL A	VAR	02/16/2011	1,450.10	1,055.49	394.61
20. SPDR S & P 500 ETF TRUST	02/07/2011	02/17/2011	2,677.27	2,636.94	40.33
10. SPDR S & P 500 ETF TRUST	VAR	04/04/2011	1,334.38	1,287.87	46.51
15. SPDR S & P 500 ETF TRUST	12/30/2010	04/06/2011	2,004.21	1,885.91	118.30
5. SPDR S & P 500 ETF TRUST	12/30/2010	04/07/2011	665.01	628.64	36.37
20. SPDR S & P 500 ETF TRUST	04/12/2011	05/12/2011	2,701.24	2,629.78	71.46
20. SPDR S & P 500 ETF TRUST	VAR	05/13/2011	2,684.52	2,543.35	141.17
5. SPDR S & P 500 ETF TRUST	10/26/2010	05/27/2011	666.99	592.80	74.19
20. SPDR S & P 500 ETF TRUST	VAR	06/14/2011	2,592.32	2,235.32	357.00
5. SPDR S & P 500 ETF TRUST	07/18/2011	07/29/2011	648.91	654.06	-5.15
10. SPDR S & P 500 ETF TRUST	07/08/2011	08/10/2011	1,137.28	1,345.47	-208.19
Totals					

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THE LUKIS FOUNDATION M/A 10362500
Schedule D Detail of Short-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Short-term Gain/Loss
5. SPDR S & P 500 ETF TRUST	08/19/2010	08/19/2011	565.74	540.10	25.64
11. SPDR S & P 500 ETF TRUST	10/06/2011	12/02/2011	1,377.94	1,278.82	99.12
16. SPDR BARCLAYS CAPITAL HIGH YIELD BD	09/26/2011	12/21/2011	615.18	598.68	16.50
135. SCRIPPS NETWORKS INTERACTIVE	VAR	08/15/2011	5,769.82	6,801.02	-1,031.20
330. AMEX UTILITIES SPDR	10/14/2010	02/24/2011	10,403.05	10,489.78	-86.73
140. WASTE MANAGEMENT INC	VAR	09/07/2011	4,376.22	5,225.01	-848.79
35. WILEY JOHN & SONS INC	09/28/2010	08/05/2011	1,636.99	1,428.65	208.34
326. WISDOMTREE JAPAN HEDGED	VAR	11/01/2011	10,432.42	12,455.92	-2,023.50
20. WRIGHT EXPRESS CORP	09/28/2010	01/11/2011	964.67	708.32	256.35
20. NOBLE CORPORATION	02/18/2010	02/07/2011	761.06	841.20	-80.14
20. CORE LABORATORIES N V COM	09/28/2010	09/01/2011	2,244.88	1,749.20	495.68
Totals			194,149.00	188,208.00	5,941.00

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THE LUKIS FOUNDATION M/A 10362500
Schedule D Detail of Long-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
15% RATE CAPITAL GAINS (LOSSES)					
20. ABB LTD - ADR	07/02/2010	12/21/2011	362.79	348.60	14.19
13. AFLAC INC	VAR	12/21/2011	536.77	610.17	-73.40
1000. AT&T INC	03/07/2008	05/03/2011	26,414.49	24,850.00	1,564.49
14. ALEXANDER & BALDWIN INC	10/05/2005	01/11/2011	565.92	699.82	-133.90
11. ALEXANDER & BALDWIN INC	10/05/2005	01/12/2011	449.99	549.86	-99.87
10. ALEXANDER & BALDWIN INC	VAR	04/01/2011	533.01	445.64	87.37
8. BHP BILLITON LIMITED - ADR	07/02/2010	12/21/2011	559.99	500.64	59.35
2. CNOOC - CHINA NATIONAL					
OFFSHOR - ADR	03/30/2010	12/21/2011	343.27	334.66	8.61
21. CHEVRON CORP	03/19/2010	05/03/2011	2,213.99	1,558.62	655.37
135. CISCO SYSTEMS INC	12/11/2007	02/17/2011	2,514.73	3,841.21	-1,326.48
64. CISCO SYSTEMS INC	VAR	03/21/2011	1,113.58	1,722.27	-608.69
75. CISCO SYSTEMS INC	04/28/2008	03/22/2011	1,295.07	1,916.18	-621.11
10. DIAGEO PLC - ADR	09/10/2008	12/21/2011	844.48	737.58	106.90
40. EXXON MOBIL CORPORATION	12/17/2008	04/12/2011	3,326.12	3,288.04	38.08
62. EXXON MOBIL CORPORATION	VAR	05/27/2011	5,107.01	4,277.22	829.79
25000. FED FARM CREDIT BK					
2.620% 11/01/18	10/21/2010	11/09/2011	25,000.00	25,000.00	
1390. GENERAL ELEC CAP CORP	03/24/2008	05/03/2011	35,126.71	35,097.50	29.21
5. GOOGLE INC	04/23/2009	04/21/2011	2,618.74	1,931.54	687.20
5. GOOGLE INC	03/16/2009	06/14/2011	2,557.21	1,621.91	935.30
12. GRACO INC	VAR	03/31/2011	552.12	486.74	65.38
17. GRACO INC	VAR	04/01/2011	763.38	671.95	91.43
5. GRACO INC	06/16/2010	06/30/2011	253.34	158.82	94.52
12. HSBC - ADR	VAR	12/21/2011	451.55	977.11	-525.56
65. HEWLETT PACKARD CO	VAR	03/22/2011	2,692.48	3,386.63	-694.15
40. HEWLETT PACKARD CO	03/09/2010	04/04/2011	1,623.82	2,079.82	-456.00
30. ISHARES MSCI BRAZIL	09/19/2007	02/24/2011	2,207.27	2,052.46	154.81
361. ISHARES MSCI JAPAN	VAR	02/25/2011	4,109.16	4,144.06	-34.90
22. ISHARES MSCI EAFE	07/17/2008	08/12/2011	1,154.87	1,465.28	-310.41
11. ISHARES MSCI EX-JAPAN IN	VAR	12/21/2011	544.61	663.42	-118.81
70. LOWES COS INC	09/04/2008	05/05/2011	1,805.70	1,847.76	-42.06
Totals					

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STATEMENT 10

THE LUKIS FOUNDATION M/A 10362500
Schedule D Detail of Long-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
125. LOWES COS INC	09/04/2008	06/14/2011	2,822.81	3,299.57	-476.76
134. MEDCO HEALTH SOLUTIONS INC	VAR	06/14/2011	7,498.57	6,443.16	1,055.41
21. NESTLE S.A. REGISTERED SHARES - ADR					
44. NEUSTAR INC	07/02/2010	12/21/2011	1,181.85	994.56	187.29
130. PLUM CREEK TIMBER CO INC	09/30/2010	10/13/2011	1,323.17	1,098.71	224.46
119. PLUM CREEK TIMBER CO INC	09/28/2009	03/22/2011	5,493.47	4,076.61	1,416.86
181. PLUM CREEK TIMBER CO INC	09/28/2009	05/04/2011	5,063.43	3,731.66	1,331.77
23. SPDR BARCLAYS CAPTL CONV	VAR	05/05/2011	7,655.82	5,427.79	2,228.03
8. SAP AG - ADR	10/14/2010	12/21/2011	835.11	915.56	-80.45
199. SCHWAB CHARLES CORP NEW	07/02/2010	12/21/2011	412.87	360.96	51.91
106. SCHWAB CHARLES CORP NEW	VAR	08/19/2011	2,226.61	2,938.15	-711.54
28. AMEX MATERIALS SPDR	12/30/2005	08/22/2011	1,201.24	1,564.55	-363.31
17. AMEX ENERGY SELECT SPDR	10/14/2010	12/21/2011	923.70	965.18	-41.48
43. AMEX UTILITIES SPDR	10/14/2010	12/21/2011	1,154.27	1,001.58	152.69
129. TCF FINANCIAL	10/14/2010	12/21/2011	1,523.03	1,366.85	156.18
47. TAIWAN SEMICONDUCTOR	09/29/2010	11/22/2011	1,288.32	2,049.76	-761.44
24. TELEFONICA SA - ADR	07/02/2010	12/21/2011	588.42	467.18	121.24
25. VANGUARD MSCI EMERGING MARKETS ETF	VAR	12/21/2011	404.15	562.28	-158.13
5. WILEY JOHN & SONS INC	07/02/2010	12/21/2011	944.75	960.50	-15.75
25. ACCENTURE PLC	VAR	08/05/2011	233.85	206.77	27.08
13. RECKITT BENCKISER PLC GBP	02/24/2005	06/28/2011	1,499.19	612.93	886.26
77. TESCO PLC 5P	07/06/2010	12/22/2011	633.40	618.54	14.86
103. NOBLE CORPORATION	07/06/2010	12/22/2011	465.94	460.87	5.07
8. TRANSOCEAN LTD.	04/15/2003	02/07/2011	3,919.47	1,619.67	2,299.80
24. KOMATSU JPY 50.0	VAR	12/21/2011	316.55	785.07	-468.52
20. CORE LABORATORIES N V COM	07/08/2010	12/26/2011	565.67	459.83	105.84
	VAR	09/01/2011	2,244.88	876.49	1,368.39
TOTAL 15% RATE CAPITAL GAINS (LOSSES)			180,063.00	171,130.00	8,932.00
Totals			180,063.00	171,130.00	8,932.00

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LUKIS FOUNDATION

41-1708009

12/31/11

Statement Period: December 1, 2011 to December 31, 2011

The Value of Your Portfolio Investments

<i>Investment</i>	<i>Federal Tax Cost</i>	<i>Units</i>	<i>Value/ Unit</i>	<i>Market Value</i>
Equities 81%				\$700,915.06
ABB LTD - ADR	5,818.00	361.000	18.830	6,797.63
ABBOTT LABS	10,142.41	200.000	56.230	11,246.00
ACCENTURE PLC	2,868.53	117.000	53.230	6,227.91
AFLAC INC	9,961.42	234.000	43.260	10,122.84
ALEXANDER & BALDWIN INC	2,730.93	80.000	40.820	3,265.60
AMERICAN EXPRESS CO	5,971.50	145.000	47.170	6,839.65
AMEX ENERGY SELECT SPDR	18,440.93	313.000	69.130	21,637.69
AMEX MATERIALS SPDR	18,166.00	527.000	33.500	17,654.50
AMEX UTILITIES SPDR	26,262.96	832.000	35.980	29,935.36
AMPHENOL CORP CL A	8,357.46	165.000	45.390	7,489.35
ANSYS INC	3,312.60	90.000	57.280	5,155.20
APACHE CORP	3,091.05	45.000	90.580	4,076.10
APPLE INC	5,647.91	25.000	405.000	10,125.00
ARBITRON INC	3,245.28	135.000	34.410	4,645.35
BHP BILLITON LIMITED - ADR	7,225.33	152.000	70.630	10,735.76
BIG LOTS INC	4,771.53	150.000	37.760	5,664.00
BLACKROCK INC	4,583.37	30.000	178.240	5,347.20
C H ROBINSON WORLDWIDE INC	7,013.66	95.000	69.780	6,629.10
CHEVRON CORP	5,157.23	70.000	106.400	7,448.00
CNOOC - CHINA NATIONAL OFFSHOR - ADR	6,338.18	38.000	174.680	6,637.84
COLGATE PALMOLIVE CO	14,298.36	191.000	92.390	17,646.49
DENTSPLY INTL INC COM	4,313.64	129.000	34.990	4,513.71
DIAGEO PLC - ADR	11,257.65	175.000	87.420	15,298.50
EBIX, INC.	5,390.14	295.000	22.100	6,519.50
EDISON INTL COM	14,739.47	440.000	41.400	18,216.00
FMC TECHNOLOGIES INC	2,467.53	116.000	52.230	6,058.68
GLOBAL PMTS INC W/I	4,700.54	110.000	47.380	5,211.80
GOLDMAN SACHS GROUP INC	8,435.25	61.000	90.430	5,516.23
GRACO INC	3,843.76	119.000	40.890	4,865.91
HARTE-HANKS COMMUNICATIONS INC	3,638.90	264.000	9.090	2,399.76
HEINZ H J CO	11,098.50	225.000	54.040	12,159.00
HSBC - ADR	10,452.37	226.000	38.100	8,610.60
ILLINOIS TOOL WORKS INC	4,817.50	103.000	46.710	4,811.13
INTERCONTINENTALEXCHANGE INC	6,987.09	55.000	120.550	6,630.25
ISHARES DOW JONES SELECT DIVIDEND FD	15,131.53	325.000	53.770	17,475.25
ISHARES MSCI EAFE	4,220.10	81.000	49.530	4,011.93
ISHARES MSCI EX-JAPAN IN FD	10,473.38	199.000	49.900	9,930.10
ISHARES MSCI JAPAN	9,923.46	1,065.000	9.110	9,702.15
JOHNSON & JOHNSON	9,869.38	160.000	65.580	10,492.80
KOMATSU JPY 50.0	8,287.05	444.000	23.382	10,381.54
LABORATORY CORP OF AMER HLDGS	7,286.76	75.000	85.970	6,447.75
MARKEL HOLDINGS	4,240.52	12.000	414.670	4,976.04
MCDONALDS CORP	4,538.35	80.000	100.330	8,026.40
MEDNAX INC	3,706.95	76.000	72.010	5,472.76
METTLER-TOLEDO INTL INC	2,955.13	30.000	147.710	4,431.30
MORNINGSTAR INC	1,997.75	52.000	59.450	3,091.40
NATIONAL PRESTO INDS INC	2,703.28	25.000	93.600	2,340.00
NESTLE S.A. REGISTERED SHARES - ADR	15,482.15	384.000	57.710	22,160.64
NEUSTAR INC	3,247.81	142.000	34.170	4,852.14
NEUTRAL TANDEM INC	3,900.29	267.000	10.690	2,854.23
NIKE INC CL B	5,280.63	85.000	96.370	8,191.45
NORDSTROM INC	6,166.40	160.000	49.710	7,953.60
OCEANEERING INTL INC	2,164.71	106.000	46.130	4,889.78
ORBITAL SCIENCES CORP	5,144.48	350.000	14.530	5,085.50

Statement Period: December 1, 2011 to December 31, 2011

The Value of Your Portfolio Investments

Investment	Federal Tax Cost	Units	Value/ Unit	Market Value
Equities 81% (continued)				\$700,915.06
PAYCHEX INC	12,298.54	377.000	30.110	11,351.47
PEPSICO INC	5,170.93	83.000	66.350	5,507.05
PERRIGO CO	5,060.81	60.000	97.300	5,838.00
PRECISION CASTPARTS CORP	6,397.24	50.000	164.790	8,239.50
QUALCOMM INC	4,919.42	112.000	54.700	6,126.40
RECKITT BENCKISER PLC GBP	9,345.25	230.000	49.420	11,366.69
REPUBLIC SERVICES INC CL A COMM	9,456.08	317.000	27.550	8,733.35
ROCK-TENN CO CL A	5,081.84	95.000	57.700	5,481.50
SAP AG - ADR	6,537.95	152.000	52.950	8,048.40
SCHLUMBERGER LTD	7,698.84	90.000	68.310	6,147.90
SPDR S & P 500 ETF TRUST	672.83	6.000	125.500	753.00
STARWOOD HOTELS & RESORTS WORLDWIDE	5,892.25	130.000	47.970	6,236.10
STEEL DYNAMICS INC COM	6,188.54	460.000	13.150	6,049.00
STERICYCLE INC COM	2,675.14	50.000	77.920	3,896.00
TAIWAN SEMICONDUCTOR MANUFACTU - ADR	7,969.91	870.000	12.910	11,231.70
TCF FINANCIAL	4,614.77	365.000	10.320	3,766.80
TELEFONICA SA - ADR	8,016.78	447.000	17.190	7,683.93
TESCO PLC 5P	7,934.61	1,409.000	6.270	8,834.46
THERMO FISHER SCIENTIFIC INC	7,806.68	146.000	44.970	6,565.62
TRANSDIGM GROUP INC	3,893.59	42.000	95.680	4,018.56
TRANSOCEAN LTD	7,995.03	148.000	38.390	5,681.72
UGI CORP NEW COM	4,279.29	161.000	29.400	4,733.40
UNITED TECHNOLOGIES CORP	2,012.88	83.000	73.090	6,066.47
VANGUARD MSCI EMERGING MARKETS ETF	15,109.77	464.000	38.210	17,729.44
VCA ANTECH INC	6,297.68	285.000	19.750	5,628.75
VODAFONE GROUP PLC NEW ADR	11,734.94	410.000	28.030	11,492.30
WAL MART STORES INC	15,304.09	285.000	59.760	17,031.60
WASTE MANAGEMENT INC	9,443.54	280.000	32.710	9,158.80
WILEY JOHN & SONS INC	2,758.38	75.000	44.400	3,330.00
WRIGHT EXPRESS CORP	3,222.57	110.000	54.280	5,970.80
ZEBRA TECHNOLOGIES CORP CL A	4,690.53	140.000	35.780	5,009.20
3M CO	14,609.77	175.000	81.730	14,302.75
Bonds & Notes 18%				\$160,004.09
FED FARM CREDIT BK 2.230% 11/28/18	25,000.00	25,000.000	100.764	25,191.00
FED NATL MTG ASSN 2.050% 9/20/16	24,962.50	25,000.000	101.073	25,268.25
FED NATL MTG ASSN 2.600% 2/24/16	25,000.00	25,000.000	100.315	25,078.75
ISHARES BARCLAYS 1-3 YEAR TREAS BOND	5,060.95	60.000	84.500	5,070.00
ROCHESTER MINN 2.750% 2/01/17	25,331.50	25,000.000	104.711	26,177.75
SPDR BARCLAYS CAPITAL HIGH YIELD BD	11,187.77	299.000	38.450	11,496.55
SPDR BARCLAYS CAPTL CONV SEC	18,390.79	462.000	36.170	16,710.54
VR FED NATL MTG ASSN 2.000% 1/13/17	24,975.00	25,000.000	100.045	25,011.25
Cash & Cash Equivalents 1%				\$4,502.33
WF ADV CASH INVT MM-SVC 250 REBATE	4,502.33	4,502.330	1.000	4,502.33
Total Portfolio	\$781,768.40			\$865,421.48

Statement Period December 1, 2010 to December 31, 2010

The Value of Your Portfolio Investments

<i>Investment</i>	<i>Federal Tax Cost</i>	<i>Units</i>	<i>Value/ Unit</i>	<i>Market Value</i>
Cash & Cash Equivalents 49%				\$946,345.89
WF ADV CASH INVT MM-SVC 250 REBATE	946,345.89	946,345 890	1.000	946,345 89
Equities 40%				\$757,850.56
ABB LTD - ADR	6,166.60	381 000	22.450	8,553 45
ABBOTT LABS	14,926 62	290 000	47 910	13,893 90
ACCENTURE PLC	3,481 46	142.000	48.490	6,885 58
AFLAC INC	10,571 59	247 000	56 430	13,938.21
ALEXANDER & BALDWIN INC	4,776.07	125.000	40 030	5,003.75
AMERICAN EXPRESS CO	7,259.03	175.000	42 920	7,511 00
AMEX ENERGY SELECT SPDR	19,442.51	330.000	68.250	22,522 50
AMEX MATERIALS SPDR	19,131.18	555 000	38.410	21,317 55
AMEX UTILITIES SPDR	38,119.59	1,205.000	31.340	37,764.70
ANSYS INC	3,951.37	105.000	52 070	5,467 35
APACHE CORP	3,091.05	45.000	119 230	5,365 35
APPLE INC	7,111 50	30.000	322 560	9,676.80
ARBITRON INC	3,245 28	135 000	41 520	5,605.20
BHP BILLITON LIMITED - ADR	7,725.97	160 000	92 920	14,867 20
C H ROBINSON WORLDWIDE INC	3,328.87	62 000	80 190	4,971.78
CHEVRON CORP	14,434 50	186 000	91 250	16,972 50
CISCO SYSTEMS INC	7,479 66	274.000	20 230	5,543 02
CNOOC - CHINA NATIONAL OFFSHOR - ADR	6,672 84	40 000	238 370	9,534 80
COLGATE PALMOLIVE CO	14,298 36	191 000	80 370	15,350 67
CORE LABORATORIES N V COM	2,625 69	40 000	89 050	3,562 00
DENTSPLY INTL INC COM	2,574.84	79 000	34.170	2,699 43
DIAGEO PLC - ADR	11,995 23	185.000	74 330	13,751 05
EDISON INTL COM	14,739 47	440.000	38.600	16,984 00
EXXON MOBIL CORPORATION	7,565.26	102.000	73.120	7,458 24
FMC TECHNOLOGIES INC	2,467 53	58 000	88 910	5,156 78
GLOBAL PMTS INC W/I	4,700 54	110 000	46 210	5,083 10
GOLDMAN SACHS GROUP INC	5,898 80	35 000	168.160	5,885.60
GOOGLE INC	3,553 45	10 000	593 970	5,939.70
GRACO INC	4,962.72	149 000	39.450	5,878 05
HARTE-HANKS COMMUNICATIONS INC	3,638.90	264.000	12 770	3,371.28
HEINZ H J CO	7,865 58	160.000	49.460	7,913 60
HEWLETT PACKARD CO	8,205 45	165.000	42.100	6,946.50
HSBC - ADR	6,186 91	121 000	51 040	6,175.84
ILLINOIS TOOL WORKS INC	4,817 50	103.000	53 400	5,500 20
IRON MOUNTAIN INC	3,452.78	170.000	25 010	4,251.70
ISHARES DOW JONES SELECT DIVIDEND FD	22,284 09	490 000	49 860	24,431 40
ISHARES MSCI BRAZIL	5,875 06	90 000	77 400	6,966 00
ISHARES MSCI EAFE	3,820.78	72 000	58 220	4,191 84
ISHARES MSCI EX-JAPAN IN FD	11,136 80	210 000	63 700	13,377 00
ISHARES MSCI JAPAN	11,630.48	1,166.000	10 910	12,721 06
JOHNSON & JOHNSON	15,283.00	245 000	61 850	15,153 25
KOMATSU JPY 50 0	8,746 88	468 000	30 294	14,177 62
LOWES COS INC	5,147 33	195 000	25 080	4,890 60
MARKEL HOLDINGS	4,240 52	12 000	378 130	4,537 56
MCDONALDS CORP	6,077 27	100 000	76.760	7,676 00
MEDCO HEALTH SOLUTIONS INC	6,443 16	134 000	61 270	8,210 18
MEDNAX INC	4,769 24	96.000	67 290	6,459.84
METTLER-TOLEDO INTL INC	2,874 78	30 000	151 210	4,536 30
MORNINGSTAR INC	1,997 75	52.000	53 080	2,760.16
NESTLE S A REGISTERED SHARES - ADR	16,476 71	405.000	58 820	23,822.10
NEUSTAR INC	4,346 52	186 000	26.050	4,845.30

Statement Period December 1, 2010 to December 31, 2010

The Value of Your Portfolio Investments

<i>Investment</i>	<i>Federal Tax Cost</i>	<i>Units</i>	<i>Value/ Unit</i>	<i>Market Value</i>
Equities 40% (continued)				\$757,850.56
NEUTRAL TANDEM INC	3,900.29	267 000	14 440	3,855.48
NIKE INC CL B	3,548.35	65 000	85 420	5,552.30
NOBLE CORPORATION	2,460.87	123.000	35 770	4,399.71
NORDSTROM INC	6,166.40	160 000	42 380	6,780.80
OCEANEERING INTL INC	2,164.71	53.000	73 630	3,902.39
ORBITAL SCIENCES CORP	4,711.71	315 000	17.130	5,395.95
PEPSICO INC	5,170.93	83 000	65 330	5,422.39
PLUM CREEK TIMBER CO INC	13,236.06	430 000	37 450	16,103.50
PRECISION CASTPARTS CORP	6,397.24	50 000	139 210	6,960.50
QUALCOMM INC	4,919.42	112 000	49.490	5,542.88
RECKITT BENCKISER PLC GBP	9,963.79	243 000	55.189	13,410.97
REPUBLIC SERVICES INC CL A COMM	9,456.08	317 000	29 860	9,465.62
ROCK-TENN CO CL A	5,087.84	100 000	53 950	5,395.00
SAP AG - ADR	6,898.91	160 000	50 610	8,097.60
SCHWAB CHARLES CORP NEW	4,502.70	305 000	17 110	5,218.55
SPDR S & P 500 ETF TRUST	3,692.28	33.000	125.750	4,149.75
STEEL DYNAMICS INC COM	3,971.85	275.000	18.300	5,032.50
STERICYCLE INC COM	2,675.14	50 000	80 920	4,046.00
TAIWAN SEMICONDUCTOR MANUFACTU - ADR	8,437.09	917 000	12 540	11,499.18
TCF FINANCIAL	4,399.46	289 000	14 810	4,280.09
TELEFONICA SA - ADR	8,579.06	157 000	68 420	10,741.94
TESCO PLC 5P	8,395.48	1,486 000	6 654	9,887.87
THERMO FISHER SCIENTIFIC INC	7,806.68	146 000	55.360	8,082.56
TRANSOCEAN LTD	8,780.10	156 000	69 510	10,843.56
UGI CORP NEW COM	4,279.29	161.000	31 580	5,084.38
UNITED TECHNOLOGIES CORP	2,012.88	83.000	78.720	6,533.76
VANGUARD EMERGING MARKETS ETF	16,070.27	489 000	48 146	23,543.39
VCA ANTECH INC	5,422.43	240.000	23 290	5,589.60
WAL MART STORES INC	15,304.09	285 000	53.930	15,370.05
WILEY JOHN & SONS INC	4,393.80	115.000	45.240	5,202.60
WRIGHT EXPRESS CORP	3,930.89	130 000	46 000	5,980.00
ZEBRA TECHNOLOGIES CORP CL A	4,690.53	140.000	37.990	5,318.60
3M CO	14,609.77	175 000	86.300	15,102.50
Bonds & Notes 8%				\$151,111.85
FED FARM CREDIT BK 2 620% 11/01/18	25,000.00	25,000 000	96.787	24,196.75
FED HOME LN BK 2 000% 1/14/13	25,000.00	25,000 000	100 044	25,011.00
FED NATL MTG ASSN 2.050% 9/20/16	24,962.50	25,000 000	96.862	24,215.50
ISHARES BARCLAYS 1-3 YEAR TREAS BOND	7,984.43	95 000	83.980	7,978.10
ROCHESTER MINN 2 750% 2/01/17	25,331.50	25,000 000	97.892	24,473.00
SPDR BARCLAYS CAPTL CONV SEC	19,306.35	485 000	41 050	19,909.25
VR FED NATL MTG ASSN 2.000% 1/13/17	24,975.00	25,000.000	101 313	25,328.25
Preferred/Convertible Sec 3%				\$62,207.21
AT&T INC	24,850.00	1,000 000	26 610	26,610.00
GENERAL ELEC CAP CORP	35,097.50	1,390 000	25 610	35,597.21
Total Portfolio	\$1,796,504.63			\$1,917,515.51