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

2011Department of the Treasury
Internal Revenue Service

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

For calendar year 2011, or tax year beginning

, 2011, and ending

Name of foundation Stegall Charitable Educational Foundation		A Employer identification number 48-1281001
Number and street (or P.O. box number if mail is not delivered to street address) 107 N. Maple	Room/suite	B Telephone number (see the instructions) (615) 895-9890
City or town Murfreesboro	State ZIP code TN 37130	C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply	<input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change	<input type="checkbox"/> Initial Return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, column (c), line 16) \$ 875,309.	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
(Part I, column (d) must be on cash basis)		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 (att sch)				
	2 Ck <input checked="" type="checkbox"/> if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	30,933.			
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		13,298.		
	8 Net short-term capital gain			13,298.	
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit/(loss) (att sch)					
11 Other income (attach schedule) SECURITIES LITG PMT	99.				
12 Total. Add lines 1 through 11	31,032.	13,298.	13,298.		
13 Compensation of officers, directors, trustees, etc	12,685.			12,685.	
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees (attach schedule)					
b Accounting fees (attach sch) L-16b Stmt	2,656.			2,656.	
c Other prof fees (attach sch) L-16c Stmt	6,719.			6,719.	
17 Interest					
18 Taxes (attach schedule)(see instrs) Foreign Taxes	323.			323.	
19 Depreciation (attach sch) and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (attach schedule) See Line 23 Stmt	147.			147.	
24 Total operating and administrative expenses. Add lines 13 through 23	22,530.			22,530.	
25 Contributions, gifts, grants paid	26,500.			26,500.	
26 Total expenses and disbursements. Add lines 24 and 25	49,030.			49,030.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-17,998.				
b Net investment income (if negative, enter -0-)		13,298.			
c Adjusted net income (if negative, enter -0-)			13,298.		

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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
A S S E T S	1	Cash — non-interest-bearing				
	2	Savings and temporary cash investments		1,503.	1,463.	1,463.
	3	Accounts receivable				
		Less: allowance for doubtful accounts				
	4	Pledges receivable				
		Less: allowance for doubtful accounts				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7	Other notes and loans receivable (attach sch)				
		Less: allowance for doubtful accounts				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments — U S and state government obligations (attach schedule)				
	b	Investments — corporate stock (attach schedule)				
	c	Investments — corporate bonds (attach schedule)				
	L I A B I L I T I E S	11	Investments — land, buildings, and equipment basis			
		Less: accumulated depreciation (attach schedule)				
12		Investments — mortgage loans				
13		Investments — other (attach schedule)				
14		Land, buildings, and equipment basis				
		Less: accumulated depreciation (attach schedule)				
15		Other assets (describe <u>L-15 Stmt</u>)	970,895.	873,846.	873,846.	
16		Total assets (to be completed by all filers — see the instructions. Also, see page 1, item i)	972,398.	875,309.	875,309.	
17		Accounts payable and accrued expenses				
18		Grants payable				
19	Deferred revenue					
20	Loans from officers, directors, trustees, & other disqualified persons					
21	Mortgages and other notes payable (attach schedule)					
22	Other liabilities (describe _____)					
23	Total liabilities (add lines 17 through 22)					
N E T A S S E T S O R F U N D B A L A N C E S		Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.	<input checked="" type="checkbox"/>			
	24	Unrestricted		972,398.	875,309.	
	25	Temporarily restricted				
	26	Permanently restricted				
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.	<input type="checkbox"/>			
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, building, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
	30	Total net assets or fund balances (see instructions)	972,398.	875,309.		
	31	Total liabilities and net assets/fund balances (see instructions)	972,398.	875,309.		

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	972,398.
2	Enter amount from Part I, line 27a	2	-17,998.
3	Other increases not included in line 2 (itemize) <u>▶ Unrecognized loss of value of securities</u>	3	-79,091.
4	Add lines 1, 2, and 3	4	875,309.
5	Decreases not included in line 2 (itemize) _____	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	875,309.

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 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a F3A-002780 Capital gains distributions		P	various	various
b				
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 13,298.		0.	13,298.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a 0.	0.	0.	13,298.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	— [If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7]		2	13,298.
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	13,298.

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 (column (b) divided by column (c))
2010	47,848.	906,462.	0.052785
2009	24,500.	818,389.	0.029937
2008	16,500.	945,968.	0.017442
2007	5,170.	92,132.	0.056115
2006	5,000.	6,341.	0.788519

2 Total of line 1, column (d)	2	0.944798
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	0.188960
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	924,117.
5 Multiply line 4 by line 3	5	174,621.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	133.
7 Add lines 5 and 6	7	174,754.
8 Enter qualifying distributions from Part XII, line 4	8	49,030.

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.

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 instrs)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	266.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (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	266.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-		5	266.
6 Credits/Payments			
a 2011 estimated tax pmts and 2010 overpayment credited to 2011	6a		
b Exempt foreign organizations – tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7		
8 Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed	9	266.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0.	
11 Enter the amount of line 10 to be Credited to 2012 estimated tax Refunded	11		

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 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 \$ (2) On foundation managers \$		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <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?		
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, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) TN - Tennessee		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <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

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address www.fdncenter.org/grantmaker/stegall	13	X	
14	The books are in care of Sandra Y. Trail Telephone no (615) 895-9890 Located at 107 N. Maple, Murfreesboro, TN ZIP + 4 37130			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year 15			
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If 'Yes,' enter the name of the foreign country	16		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
1 a 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	X
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? If 'Yes,' list the years 20__ , 20__ , 20__ , 20__ <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see instructions)	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. 20__ , 20__ , 20__ , 20__		
3 a 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	
4 a 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

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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

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

If 'Yes' to 6b, file Form 8870

X

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

7b

X

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
Whitney Stegall, Jr. 1050 Beech Grove Road, Brentwood, TN 37027	President, 5.00	0.	0.	0.
Amy Swartz 1425 Bradberry Drive, Murfreesboro, TN 37130	Secretary, 5.00	0.	0.	0.
Sandra Y. Trail, 107 N. Maple, Murfreesboro, TN 37130	Treasurer, 5.00	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				
0				
0				
0				
0				

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

None

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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		
		NONE

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

None

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 Awarded scholarships to qualifying applicants	
	26,500.
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	
2	
All other program-related investments. See instructions	
3	

Total. Add lines 1 through 3

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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	902,663.
b Average of monthly cash balances	1b	35,527.
c Fair market value of all other assets (see instructions)	1c	
d Total (add lines 1a, b, and c)	1d	938,190.
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	938,190.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	14,073.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	924,117.
6 Minimum investment return. Enter 5% of line 5	6	46,206.

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	46,206.
2a Tax on investment income for 2011 from Part VI, line 5	2a	266.	
b Income tax for 2011 (This does not include the tax from Part VI)	2b		
c Add lines 2a and 2b		2c	266.
3 Distributable amount before adjustments Subtract line 2c from line 1		3	45,940.
4 Recoveries of amounts treated as qualifying distributions		4	
5 Add lines 3 and 4		5	45,940.
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	45,940.

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	49,030.
b Program-related investments — total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	49,030.
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	0.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	49,030.

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

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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				45,940.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			45,203.	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2011				
a From 2006	5,000.			
b From 2007	5,170.			
c From 2008	46,833.			
d From 2009	53,417.			
e From 2010	47,848.			
f Total of lines 3a through e	158,268.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 49,030.				
a Applied to 2010, but not more than line 2a				
b Applied to undistributed income of prior years (Election required — see instructions)		0.		
c Treated as distributions out of corpus (Election required — see instructions)				
d Applied to 2011 distributable amount				
e Remaining amount distributed out of corpus	49,030.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	207,298.			
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			45,203.	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				45,940.
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)	5,000.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	202,298.			
10 Analysis of line 9				
a Excess from 2007	5,170.			
b Excess from 2008	46,833.			
c Excess from 2009	53,417.			
d Excess from 2010	47,848.			
e Excess from 2011	49,030.			

N/A

- SEE ATTACHED**

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<i>a Paid during the year</i>				
Oluwatola Adebisola Assan 2471 Oakhill Drive Murfreesboro TN 37130	NONE	N/A	Scholarship MTSU	1,000.
Oluwatomilola Adekunbi Assan 2471 Oakhill Drive Murfreesboro TN 37130	NONE	N/A	Scholarship MTSU	500.
Seraiah Vinson 1228 Kyle Drive Cookeville TN 38501	NONE	N/A	Scholarship Vanderbilt University	1,000.
Ezra Helton 309 East McKinney Ave Rogersville TN 37857	NONE	N/A	Scholarship East Tennessee State University	1,000.
Joshua Ragan 896 Walnut Grove Road Bluff City TN 37618	NONE	N/A	Scholarship Carson-Newman College	500.
Michael Nanney 509 Forrest Pointe Drive Murfreesboro TN 37130	NONE	N/A	Scholarship Middle Tennessee State University	1,000.
Jack Parker 1021 Francis St #347D Knoxville TN 37916	NONE	N/A	Scholarship University of Tennessee	500.
Lydia Steele 721 Bryan Drive #7764 Dayton TN 37321	NONE	N/A	Scholarship Bryan College	1,000.
Stephen Doyle 1019 Craig Drive Milan TN 38358	NONE	N/A	Scholarship UT Chattanooga	1,000.
See Line 3a statement				19,000.
Total			3a	26,500.
<i>b Approved for future payment</i>				
Total			3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
		(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1	Program service revenue					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments					
4	Dividends and interest from securities			14	30,933.	
5	Net rental income or (loss) from real estate					
a	Debt-financed property					
b	Not debt-financed property					
6	Net rental income or (loss) from personal property					
7	Other investment income			14	13,298.	
8	Gain or (loss) from sales of assets other than inventory					
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue					
a						
b						
c						
d						
e						
12	Subtotal. Add columns (b), (d), and (e)				44,231.	
13	Total. Add line 12, columns (b), (d), and (e)					44,231.

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

Form 990-PF, Page 1, Part I, Line 23

Line 23 Stmt

Other expenses:	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
Annual Report TN Sec. of State	120.			120.
Postage	7.			7.
License	20.			20.
Total	147.			147.

Form 990-PF, Page 11, Part XV, line 3a

Line 3a statement

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Founda- tion status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox Amount
a Paid during the year				
Adrian Riser			Scholarship	Person or <input checked="" type="checkbox"/>
1220 Harrington Drive			MTSU	Business <input type="checkbox"/>
Knoxville TN 37922	NONE	N/A		1,000.
Alexandra Bergin			Scholarship	Person or <input checked="" type="checkbox"/>
424 Bonnie Valley			Belmont University	Business <input type="checkbox"/>
Lebanon TN 37087	NONE	N/A		1,000.
Jalesa Lowe			Scholarship	Person or <input checked="" type="checkbox"/>
1301 E. Main St.			MTSU	Business <input type="checkbox"/>
Murfreesboro TN 37132	NONE	N/A		1,000.
Lauren A. Massey			Scholarship	Person or <input checked="" type="checkbox"/>
600 Lookout Drive			Columbia ST	Business <input type="checkbox"/>
Columbia TN 38401	NONE	N/A	Community College	1,000.
Benjamin W. Weigel			Scholarship	Person or <input checked="" type="checkbox"/>
5213 Smartt Drive			Nashville School	Business <input type="checkbox"/>
Nashville TN 37220	NONE	N/A	of Law	1,500.
Oluwatosin Assan			Scholarship	Person or <input checked="" type="checkbox"/>
2471 Oakhill Drive			MTSU	Business <input type="checkbox"/>
Murfreesboro TN 37130	NONE	N/A		1,000.
Tina R. Burks			Scholarship	Person or <input checked="" type="checkbox"/>
220 Indian Park Drive Apt 206			Columbia State	Business <input type="checkbox"/>
Murfreesboro TN 37128	NONE	N/A	Community College	1,000.
Nicholas C. Christiansen			Scholarship	Person or <input checked="" type="checkbox"/>
3006 Palace Place			University Of	Business <input type="checkbox"/>
Murfreesboro TN 37129	NONE	N/A	Memphis	500.
Lynsey Hughes			Scholarship	Person or <input checked="" type="checkbox"/>
305 Austin Springs Rd #3			Tusculum College	Business <input type="checkbox"/>
Piney Flats TN 37686	NONE	N/A		1,000.
Katelyn Massie			Scholarship	Person or <input checked="" type="checkbox"/>
235 Nauvoo School Road			University Of	Business <input type="checkbox"/>
Dyersberg TN 38024	NONE	N/A	Tennessee-Martin	500.
Holly McKnight			Scholarship	Person or <input checked="" type="checkbox"/>
1100 N. Church St.			Lipscomb Univ	Business <input type="checkbox"/>
Murfreesboro TN 37130	NONE	N/A		500.

Form 990-PF, Page 11, Part XV, line 3a

Continued

Line 3a statement

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Founda- tion status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox Amount
a <i>Paid during the year</i>				
Bethany Roe			Scholarship	Person or <input checked="" type="checkbox"/> Business
3990 Kristen Street			MTSU	
Spring Hill TN 37174	NONE	N/A		500.
Wymon Channing Brown			Scholarship	Person or <input checked="" type="checkbox"/> Business
4541 Ridgewood Road			Univ of Memphis	
Memphis TN 33811-6	NONE	N/A		500.
Joshua Ryan Canter			Scholarship	Person or <input checked="" type="checkbox"/> Business
3998 Canter-King Road			East Tn State	
Morristown TN 37813	NONE	N/A	University	500.
Jonathan Alan Creasy			Scholarship	Person or <input checked="" type="checkbox"/> Business
2739 Clove Hill Ridge Road			Bryan College	
Maryville TN 37801	NONE	N/A		500.
DreJean Jacquale Cummings			Scholarship	Person or <input checked="" type="checkbox"/> Business
2606 Country Glade Dr.			Rhodes College	
Cordova TN 38016	NONE	N/A		500.
Jade Nichelle Figgins			Scholarship	Person or <input checked="" type="checkbox"/> Business
719 Glenview Drive			MTSU	
Nashville TN 37206	NONE	N/A		500.
Brandy Taylor Jordan			Scholarship	Person or <input checked="" type="checkbox"/> Business
2006 Deerwood Avenue			MTSU	
Murfreesboro TN 37130	NONE	N/A		500.
Krystal D. Looney			Scholarship	Person or <input checked="" type="checkbox"/> Business
201 Safley Drive			Tennessee	
Tullahoma TN 37388	NONE	N/A	Tech Univ.	500.
Sara Michelle Lockett			Scholarship	Person or <input checked="" type="checkbox"/> Business
605 Yvonne Dr			Tennessee	
Goodlettsville TN 37072	NONE	N/A	Tech University	500.
Shanita P. McLaurin			Scholarship	Person or <input checked="" type="checkbox"/> Business
3286 Caribou Drive			MTSU	
Memphis TN 38115	NONE	N/A		500.
Kirsten Ann Nelson			Scholarship	Person or <input checked="" type="checkbox"/> Business
1840 Wendy Blvd.			Bryan College	
Columbia TN 38401	NONE	N/A		1,000.
Diamond A'Lexus Rayborn			Scholarship	Person or <input checked="" type="checkbox"/> Business
3515 S. Classic Drive			Univ of Tenn	
Memphis TN 38125	NONE	N/A	Knoxville	500.
Lynn Marie Ryan			Scholarship	Person or <input checked="" type="checkbox"/> Business
700 Roantree Drive			Saint Louis	
Brentwood TN 37027	NONE	N/A	University	500.
Elizabeth Ross Swann			Scholarship	Person or <input checked="" type="checkbox"/> Business
7167 Hwy 25			Rhodes College	
Cross Plains TN 37049	NONE	N/A		500.
Hong Ngoc Tran			Scholarship	Person or <input checked="" type="checkbox"/> Business
760 Fourth Street			Lipscomb	
Cookeville TN 38555	NONE	N/A	University	500.

Form 990-PF, Page 11, Part XV, line 3a

Continued

Line 3a statement

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Founda- tion status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox Amount
a Paid during the year				
Quantaria Quenshell Waller			Scholarship	Person or <input checked="" type="checkbox"/>
1629 W. Cumberland Ave. #825			Univ of Tenn	Business <input type="checkbox"/>
Knoxville TN 37916	NONE	N/A	Knoxville	500.
Graham Taylor West			Scholarship	Person or <input checked="" type="checkbox"/>
1080 Chicken Road			Trevecca	Business <input type="checkbox"/>
Lebanon TN 37090	NONE	N/A	Nazarene Univ.	500.

Total

19,000.

Form 990-PF, Page 1, Part I

Line 16b - Accounting Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Trail & Agee	990PF prep.	2,656.			

Total

2,656.

Form 990-PF, Page 1, Part I

Line 16c - Other Professional Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
First TN Bank	Investment Advisor Fees	6,719.			

Total

6,719.

Form 990-PF, Page 2, Part II, Line 15

Other Assets Stmt

Line 15 - Other Assets:	Beginning Year Book Value	End of Year	
		Book Value	Fair Market Value
F3A-002780 Securities	651,420.	599,805.	599,805.
CFJ-465143 Securities	319,475.	274,041.	274,041.

Form 990-PF, Page 2, Part II, Line 15

Continued

Other Assets Stmt

Line 15 - Other Assets:	Beginning Year Book Value	End of Year	
		Book Value	Fair Market Value
Total	<u>970,895.</u>	<u>873,846.</u>	<u>873,846.</u>

National Financial Services LLC

2011 DETAIL INFORMATION

THE STEGALL CHARITABLE EDUCATION Account No F3A-002780 Customer Service 901-818-6000
 Recipient ID No **1001 Payer's Fed ID Number 04-3523567

Note. This information is not reported to the IRS. It may assist you in tax return preparation

Details of Dividend and Distributions Transactions

Total Capital Gains Distributions Detail

Description	CUSIP	Date Paid	Total Capital Gains Distributions (2a)*	Unrecaptured Section 1250 Gain (2b)	Section 1202 Gain (2c)	Collectibles (28%) Gain (2d)	Capital Gains Distributions Subject to 15% Rate Gain*
BLACKROCK GLOBAL ALLOCATION FD-INSTITUTIONAL	09251T509	12/19/11	246.62				246.62
COLUMBIA SMALL CAP GROWTH I CL Z	19765P596	12/06/11	2,332.85				2,332.85
INVESCO ENDEAVOR CLASS I	00141T213	12/09/11	191.99				191.99
INVESCO VAN KAMPEN GLOBAL FRANCHISE Y	00142R802	05/18/11	8,233.44				8,233.44
JOHN HANCOCK DISCIPLINED VALUE I	47803U640	12/16/11	1,554.38				1,554.38
JPMORGAN HIGH YIELD BOND FUND SELECT CL	4812C0803	12/16/11	400.56				400.56
JPMORGAN STRATEGIC INCOME OPPS - SELECT	4812A4351	12/16/11	33.53				33.53
PIMCO COMMODITY REAL RETURN INST	722005667	12/07/11	113.85				113.85
TEMPLETON GLOBAL BOND ADVISOR CLASS	880208400	12/19/11	190.88				190.88
TOTALS			13,298.10	0.00	0.00	0.00	13,298.10

* Total Capital Gain (2a) includes (2b), (2c) and (2d) The portion of Capital Gain Distributions subject to 15% Rate Gain is equal to (2a) less amounts shown on (2b-2d)

Account Fees

Description	Date	Amount
MANAGED ACCOUNT FEE	01/18/11	1,606.24
MANAGED ACCOUNT FEE	04/15/11	1,695.54
MANAGED ACCOUNT FEE	07/15/11	1,708.31
MANAGED ACCOUNT FEE	10/18/11	1,419.66
TOTAL		6,429.75



Holdings

NFS-provided cost basis, realized gain (loss) and holding period information may not reflect all adjustments necessary for your tax reporting purposes. Please refer to Footnotes and Cost Basis Information at the end of this statement for more information.

CASH AND CASH EQUIVALENTS - 15.09% of Total Account Value

Description	Symbol/Cusip Account Type	Quantity	Price on 12/31/11	Current Market Value	Prior Market Value	Estimated Annual Income
PRIME FUND DAILY MONEY CLASS	FDAXX	41,351.72	\$1.00	\$41,351.72	\$44,971.31	
7 DAY YIELD 01%	CASH					
Dividend Option Reinvest						
Capital Gain Option Reinvest						

Money Markets

PRIME FUND DAILY MONEY CLASS
 7 DAY YIELD 01%
 Dividend Option Reinvest
 Capital Gain Option Reinvest

Total Cash and Cash Equivalents

\$41,351.72

HOLDINGS > FIXED INCOME - 45.70% of Total Account Value

ALERT: You have a fixed income position due to mature within the next 90 days.

For an explanation of fixed income pricing, please see the last page. Redemption schedule(s), bond rating(s), and other information are provided where available. If information does not appear regarding a particular investment, it is not available. The ratings on this statement are provided by Standard & Poor's and/or Moody's to rate the quality based on the respective rating agency's assessment.

Accrued Interest - Represents interest accumulated since the last coupon date on certain fixed income securities which may not yet have been paid by the issuer or received by NFS. There is no guarantee that the accrued interest will be paid by the issuer.

Description	Symbol/Cusip Account Type	Quantity	Estimated Price on 12/31/11	Estimated Current Market Value	Estimated Prior Market Value	Estimated Annual Income	Total Cost Basis	Unrealized Gain (Loss)
FEDL NATL MTG ASSN POOL #357628	31376KHD1	10,000	\$109.254	\$2,552.10	\$2,642.43	\$128.48	\$2,382.05	\$170.05
5.500000% 10/01/2034	CASH							
CPN PMT MONTHLY								
Next Interest Payable 01/25/12								
Factor 0.23359255								
Current face \$2,335.93								
Accrued Interest \$2.14								

Asset Backed Securities

FEDL NATL MTG ASSN POOL #357628
 5.500000% 10/01/2034
 CPN PMT MONTHLY
 Next Interest Payable 01/25/12
 Factor 0.23359255
 Current face \$2,335.93
 Accrued Interest \$2.14

Statement for the Period December 1, 2011 to December 31, 2011
 MEGALL CHARITABLE EDUCATION FOUNDATION - Corporation
 Account Number: CFJ-465143



HOLDINGS > FIXED INCOME continued

Description	Symbol/Cusip Account Type	Quantity	Estimated Price on 12/31/11	Estimated Current Market Value	Estimated Prior Market Value	Estimated Annual Income	Total Cost Basis	Unrealized Gain (Loss)
FEDL NATL MTG ASSN POOL #851485 5.500% 01/01/2036 CPN PMT MONTHLY Next Interest Payable 01/25/12 Factor 0.21458721 Current face \$2,145.87 Accrued Interest \$1.97	314086W2 CASH	10,000	\$109.441	\$2,348.46	\$3,298.04	\$118.02	\$2,160.99 C	\$187.47
FEDL HOME LN MTG CRP POOL #A64142 6.000% 08/01/2037 CPN PMT MONTHLY Next Interest Payable 01/15/12 Factor 0.35933302 Current face \$5,390.00 Accrued Interest \$14.37	3129KUS73 CASH	15,000	\$109.988	\$5,928.35	\$6,324.18	\$323.40	\$5,375.03 C	\$553.32
Total Asset Backed Securities		35,000		\$10,828.91		\$569.90	\$9,918.07	\$910.84
Corporate Bonds								
LEHMAN BROTHERS HLDG MTN 5.000% 01/14/2011 ISIN #US52517PD572 SEDOL #B0V3QW1 CPN PMT SEMI-ANNUAL ON JUL 14, JAN 14 IN MONETARY DEFAULT	52517PD57 CASH	5,000	\$25.625	\$1,281.25	\$1,287.50		\$4,965.00 C	(\$3,683.75)
TIME WARNER INC NOTE CALL MAKE WHOLE 6.875% 05/01/2012 ISIN #US00184AAF21 SEDOL #B1FSDG2 MOODY'S Baa2 /S&P BBB CPN PMT SEMI-ANNUAL ON NOV 01, MAY 01 Next Interest Payable 05/01/12 CONTINUOUSLY CALLABLE SUBJECT TO MAKE WHOLE CALL Accrued Interest \$45.83 Adjusted Cost Basis YTD Amortized Premium	00184AAF2 CASH	4,000	\$101.999	\$4,079.96	\$4,090.76	\$275.00	\$4,180.84 C	\$65.47
							\$4,014.49 C D	\$65.47

Statement for the Period December 1, 2011 to December 31, 2011

THE STEGALL CHARITABLE EDUCATION FOUNDATION - Corporation
Account Number: F3A-002780



Holdings

NFS-provided cost basis, realized gain (loss) and holding period information may not reflect all adjustments necessary for your tax reporting purposes. Please refer to Footnotes and Cost Basis Information at the end of this statement for more information.

CASH AND CASH EQUIVALENTS - 2.73% of Total Account Value

Description	Symbol/Cusip Account Type	Quantity	Price on 12/31/11	Current Market Value	Prior Market Value	Estimated Annual Income	Unrealized Gain (Loss)
Money Markets							
TREASURY FUND DAILY MONEY CLASS	FIOXX	16,379.29	\$1.00	\$16,379.29	\$3,107.80		
7 DAY YIELD 01%	CASH						
Dividend Option Reinvest							
Capital Gain Option Reinvest							
Total Cash and Cash Equivalents				\$16,379.29			

HOLDINGS > EQUITIES - 1.99% of Total Account Value

Description	Symbol/Cusip Account Type	Quantity	Price on 12/31/11	Current Market Value	Prior Market Value	Estimated Annual Income	Total Cost Basis	Unrealized Gain (Loss)
Equity								
SPDR S&P 500 ETF TRUST UNIT SER	SPY	95	\$125.50	\$11,922.50	\$11,874.05	\$244.72	\$12,426.89	(\$504.39)
1 S&P	CASH							
Estimated Yield 2.05%								
Dividend Option Cash								
Capital Gain Option Cash								
Next Dividend Payable 01/31/12								
Total Equities				\$11,922.50		\$244.72	\$12,426.89	(\$504.39)

Statement for the Period December 1, 2011 to December 31, 2011

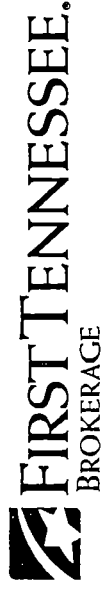
THE STEGALL CHARITABLE EDUCATION FOUNDATION - Corporation
Account Number CFJ-465143



HOLDINGS > FIXED INCOME continued

Description	Symbol/Cusip Account Type	Quantity	Estimated Price on 12/31/11	Estimated Current Market Value	Estimated Prior Market Value	Estimated Annual Income	Total Cost Basis	Unrealized Gain (Loss)
JPMORGAN CHASE & CO GLBL SB NT 5 75000% 01/02/2013 MOODY'S A1 /S&P A- CPN PMT SEMI-ANNUAL ON JUL 02, JAN 02 Next Interest Payable 01/02/12 Accrued Interest \$142.95 Adjusted Cost Basis YTD Amortized Premium \$66.99 E	46625HAT7 CASH	5,000	\$103.734	\$5,186.70	\$5,189.40	\$287.50	\$5,559.05 C	
INTERNATIONAL LEASE FIN MTN BE 5 625% 09/20/2013 FR MOODY'S B1 /S&P BBB- CPN PMT SEMI-ANNUAL ON MAR 20, SEP 20 Next Interest Payable 03/20/12 Accrued Interest \$78.91 Adjusted Cost Basis YTD Amortized Premium \$9.36 E	45974VA81 CASH	5,000	\$97.75	\$4,887.50	\$4,825.00	\$281.25	\$5,061.40 C	\$116.59
GOLDMAN SACHS GROUP SR NT 5 15000% 01/15/2014 MOODY'S A1 /S&P A- CPN PMT SEMI-ANNUAL ON JUL 15, JAN 15 Next Interest Payable 01/15/12 Accrued Interest \$118.74 Adjusted Cost Basis YTD Amortized Premium \$2.63 E	38143UAB7 CASH	5,000	\$101.903	\$5,095.15	\$5,078.80	\$257.50	\$5,017.33 C D	(\$129.83)
CITIGROUP INC SUB NT 5 000000% 09/15/2014 ISIN #US172967CQ22 SEDOL #B05LYC7 MOODY'S Baa1 /S&P BBB+ CPN PMT SEMI-ANNUAL ON MAR 15, SEP 15 Next Interest Payable 03/15/12 Accrued Interest \$88.33 Adjusted Cost Basis YTD Amortized Premium \$4.70 E	172967CQ2 CASH	6,000	\$100.13	\$6,007.80	\$5,894.40	\$300.00	\$5,005.82 C D	\$89.33
							\$6,014.47 C	
							\$5,987.09 C D	\$20.71

Statement for the Period December 1, 2011 to December 31, 2011
 THE STEGALL CHARITABLE EDUCATION FOUNDATION - Corporation
 Account Number: CFJ-465143



HOLDINGS > FIXED INCOME *continued*

Description	Symbol/Cusip Account Type	Quantity	Estimated Price on 12/31/11	Estimated Current Market Value	Estimated Prior Market Value	Estimated Annual Income	Total Cost Basis	Unrealized Gain (Loss)
SBC COMMUNICATIONS INC 5.625000% 06/15/2016 GLBL NT ISIN #US78387GAL77 SEDOL #B02JX61 MOODY'S A2 /S&P A- CPN PMT SEMI-ANNUAL ON DEC 15, JUN 15 Next Interest Payable 06/15/12 CONTINUOUSLY CALLABLE SUBJECT TO MAKE WHOLE CALL Accrued Interest \$12 50 Adjusted Cost Basis	78387GAL7 CASH	5,000	\$114 717	\$5,735 85	\$5,721 60	\$281 25	\$4,996 00 C	
CVS CAREMARK CORPORATION 5.75000% 06/01/2017 SR NT MOODY'S Baa2 /S&P BBB+ CPN PMT SEMI-ANNUAL ON DEC 01, JUN 01 Next Interest Payable 06/01/12 CONTINUOUSLY CALLABLE SUBJECT TO MAKE WHOLE CALL Accrued Interest \$28 75 Adjusted Cost Basis	126650BH2 CASH	6,000	\$116 684	\$7,001 04	\$6,929 76	\$345 00	\$4,996 00 C D \$5,827 92 C	\$739 85
Total Corporate Bonds		41,000		\$39,275.25		\$2,027.50	\$5,827 92 C D \$40,883 76	\$1,173 12 (\$1,608 51)
U.S. Treasury / Agency Securities								
FEDERAL HOME LN BKS CONS BD 4 62500% 10/10/2012 MOODY'S Aaa /S&P AA+ CPN PMT SEMI-ANNUAL ON APR 10, OCT 10 Next Interest Payable 04/10/12 Accrued Interest \$104 06 Adjusted Cost Basis YTD Amortized Premium	3133XML66 CASH	10,000	\$103 408	\$10,340 80	\$10,379 80	\$462 50	\$10,233 66 C	\$300 03

THE STEGALL CHARITABLE EDUCATION FOUNDATION - Corporation
Account Number CFJ-465143

HOLDINGS > FIXED INCOME *continued*

Description	Symbol/Cusip , Account Type	Quantity	Estimated Price on 12/31/11	Estimated Current Market Value	Estimated Prior Market Value	Estimated Annual Income	Total Cost Basis	Unrealized Gain (Loss)
UNITED STATES TREAS TIPS	912828GX2	10,000	\$119,039	\$13,006.32	\$13,076.16	\$286.81	\$10,757.95	C
2.62500% 07/15/2017	CASH							
MOODY'S Aaa								
CPN PMT SEMI-ANNUAL								
ON JAN 15, JUL 15								
Next Interest Payable 01/15/12								
Inflation Factor = 1.09261								
Accrued Interest \$132.49								
Adjusted Cost Basis							\$11,347.31	C D
YTD Amortized Premium	\$71.71 E							\$1,659.01
UNITED STATES TREAS 4.75000%	912828HA1	43,000	\$120,406	\$51,774.58	\$51,603.44	\$2,042.50	\$45,378.29	C
08/15/2017	CASH							
MOODY'S Aaa								
CPN PMT SEMI-ANNUAL								
ON FEB 15, AUG 15								
Next Interest Payable 02/15/12								
Accrued Interest \$771.49							\$44,489.00	C D
Adjusted Cost Basis								\$7,285.58
YTD Amortized Premium	\$231.06 E	63,000		\$75,121.70		\$2,791.81	\$65,877.08	
Total U.S. Treasury / Agency								\$9,244.62
Total Fixed Income		139,000		\$125,225.86		\$5,389.21	\$116,678.91	\$8,546.95
Total Securities				\$125,225.86		\$5,389.21	\$116,678.91	\$8,546.95

HOLDINGS > OTHER SECURITIES - 39.21% of Total Account Value

Description	Symbol/Cusip Account Type	Quantity	Price on 12/31/11	Current Market Value	Prior Market Value	Estimated Annual Income	Total Cost Basis	Unrealized Gain (Loss)
DIVIDEND CAPITAL TOTAL REALTY TRUST INC BASED ON MGMTS UNCONFIRMED EST OF NET ASSETS	25537M100 CASH	12,717,59515	\$8.45 AI	\$107,463.68	\$107,463.68		\$111,588.32	(\$4,124.64)
Total Other Securities				\$107,463.68			\$111,588.32	(\$4,124.64)

Statement for the Period December 1, 2011 to December 31, 2011
 THE STEGALL CHARITABLE EDUCATION FOUNDATION - Corporation
 Account Number: CFJ-465143



HOLDINGS continued

Quantity	Price on 12/31/11	Current Market Value	Prior Market Value	Estimated Annual Income	Total Cost Basis	Unrealized Gain (Loss)
		\$274,041.26		\$5,389.21	\$228,267.23	\$4,422.31
TOTAL PORTFOLIO VALUE						

Activity

CORE FUND ACTIVITY

Settlement Date	Account Type	Transaction	Description	Quantity	Amount
12/01/11	CASH	YOU BOUGHT	PRIME FUND DAILY MONEY CLASS @ 1	172.5	(\$172.50)
12/09/11	CASH	YOU SOLD	PRIME FUND DAILY MONEY CLASS @ 1	(2,050.3)	\$2,050.30
12/15/11	CASH	YOU BOUGHT	PRIME FUND DAILY MONEY CLASS @ 1	558.09	(\$558.09)
12/19/11	CASH	YOU SOLD	PRIME FUND DAILY MONEY CLASS @ 1	(3,171.27)	\$3,171.27
12/20/11	CASH	YOU SOLD	PRIME FUND DAILY MONEY CLASS @ 1 AS OF 12-20-11	(35)	\$35.00
12/20/11	CASH	YOU SOLD	PRIME FUND DAILY MONEY CLASS @ 1	(80)	\$80.00
12/27/11	CASH	YOU BOUGHT	PRIME FUND DAILY MONEY CLASS @ 1	986.03	(\$986.03)
12/30/11	CASH	REINVESTMENT	PRIME FUND DAILY MONEY CLASS REINVEST @ \$1,000	0.36	(\$0.36)
TOTAL CORE FUND ACTIVITY					\$3,619.59

ACTIVITY > ADDITIONS AND WITHDRAWALS > CHECKING ACTIVITY

Date	Check Number	Payee Detail	Expense Code	Amount
Checking Activity				
12/09/11		CHECK PAID	321867803	(\$1,550.30)
12/09/11		CHECK PAID	321867801	(\$500.00)
12/19/11		CHECK PAID	321879492	(\$1,057.09)

Statement for the Period December 1, 2011 to December 31, 2011

THE STEGALL CHARITABLE EDUCATION FOUNDATION - Corporation
Account Number F3A-002780



HOLDINGS > MUTUAL FUNDS - 95.28% of Total Account Value

Description	Symbol/Cusip Account Type	Quantity	Price on 12/31/11	Current Market Value	Prior Market Value	Estimated Annual Income	Total Cost Basis	Unrealized Gain (Loss)
Equity								
AMERICAN EUROPEAN GROWTH FUND CL FZ Estimated Yield 1.99% Dividend Option Cash Capital Gain Option Cash	AEPFX 252,763		\$35.11	\$26,780.61	\$27,993.40	\$533.40	\$29,380.51	(\$2,599.90)
BLACKROCK GLOBAL ALLOCATION FD-INSTL Estimated Yield 2.19% Dividend Option Cash Capital Gain Option Cash	MALOX CASH 1,305,876		\$18.24	\$23,819.18	\$24,733.29	\$522.28	\$26,000.00	(\$2,180.82)
COLUMBIA ACORN INTERNATIONAL CL Z Dividend Option Cash Capital Gain Option Cash	ACINX CASH 614,586		\$34.31	\$21,086.45	\$21,688.74		\$22,056.56	(\$970.11)
COLUMBIA SMALL CAP GROWTH I CL Z Dividend Option Cash Capital Gain Option Cash	CMSCX CASH 856,032		\$27.14	\$23,232.71	\$25,860.73		\$19,825.70	\$3,407.01
FIDELITY CONVERTIBLE SECURITIES Estimated Yield 3.46% Dividend Option Cash Capital Gain Option Cash	FCVXX CASH 987,332		\$22.83	\$22,540.79	\$22,629.65	\$780.98	\$21,188.14	\$1,352.65
HARTFORD CAPITAL APPRECIATION FD CL I Estimated Yield 2.16% Dividend Option Cash Capital Gain Option Cash	ITHIX CASH 1,130,522		\$28.81	\$32,570.34	\$33,350.40	\$704.18	\$34,298.88	(\$1,728.54)
INVESCO ENDEAVOR CLASS I Dividend Option Cash Capital Gain Option Cash	ATDIX CASH 2,612,152		\$16.44	\$42,943.78	\$42,708.69		\$46,000.00	(\$3,056.22)
JOHN HANCOCK DISCIPLINED VALUE I Estimated Yield 0.99% Dividend Option Cash Capital Gain Option Cash	JVLUX CASH 5,055,896		\$12.24	\$61,884.17	\$63,299.82	\$616.31	\$56,727.16	\$5,157.01

Statement for the Period December 1, 2011 to December 31, 2011
THE STEGALL CHARITABLE EDUCATION FOUNDATION - Corporation
Account Number F3A-002780



HOLDINGS > MUTUAL FUNDS *continued*

Description	Symbol/Cusip Account Type	Quantity	Price on 12/31/11	Current Market Value	Prior Market Value	Estimated Annual Income	Total Cost Basis	Unrealized Gain (Loss)
JOHN HANCOCK GLOBAL OPPORTUNITIES FDI Estimated Yield 0.33% Dividend Option Cash Capital Gain Option Cash	JGPIX CASH	3,295.405	\$12.60	\$41,522.10	\$44,092.52	\$137.47	\$57,373.00	(\$15,850.90)
KEELEY SMALL CAP VALUE FUND CL I Dividend Option Cash Capital Gain Option Cash	KSCIX CASH	959.524	\$23.34	\$22,395.29	\$22,817.48		\$19,391.97	\$3,003.32
OPPENHEIMER DEV MARKETS FDI CLASS Y Estimated Yield 2.33% Dividend Option Cash Capital Gain Option Cash	ODVYX CASH	1,054.623	\$28.97	\$30,552.43	\$32,429.66	\$711.88	\$33,018.00	(\$2,465.57)
T ROWE PRICE GROWTH STOCK Estimated Yield 0.02% Dividend Option Cash Capital Gain Option Cash	PRGFX CASH	2,627.628	\$31.83	\$83,637.40	\$84,451.96	\$18.39	\$70,000.00	\$13,637.40
THORNBURG INTL VALUE CL INSTL Estimated Yield 1.56% Dividend Option Cash Capital Gain Option Cash	TGVIX CASH	1,112.755	\$24.58	\$27,351.52	\$28,074.81	\$427.52	\$27,618.59	(\$267.07)
Total Equity				\$460,316.77		\$4,452.41	\$462,878.51	(\$2,561.74)
Fixed Income								
JPMORGAN HIGH YIELD BOND FUND SELECT CL Estimated Yield 7.71% Dividend Option Cash Capital Gain Option Cash	OHYFX CASH	4,135.48	\$7.62	\$31,512.36	\$31,636.42	\$2,431.66	\$32,753.00	(\$1,240.64)
JPMORGAN STRATEGIC INCOME OPPTS - SELECT Estimated Yield 2.88% Dividend Option Cash Capital Gain Option Cash	JSOXS CASH	2,506.266	\$11.33	\$28,395.99	\$28,721.81	\$819.55	\$30,000.00	(\$1,604.01)

Statement for the Period December 1, 2011 to December 31, 2011

THE STEGALL CHARITABLE EDUCATION FOUNDATION - Corporation
Account Number F3A-002780



HOLDINGS > MUTUAL FUNDS *continued*

Description	Symbol/Cusip Account Type	Quantity	Price on 12/31/11	Current Market Value	Prior Market Value	Estimated Annual Income	Total Cost Basis	Unrealized Gain (Loss)
PIMCO COMMODITY REAL RETURN INST Estimated Yield 30.46% Dividend Option Cash Capital Gain Option Cash	PCRIX CASH	3,283.898	\$6.54	\$21,476.69	\$25,680.08	\$6,543.00	\$31,000.00	(\$9,523.31)
TEMPLETON GLOBAL BOND ADVISOR CLASS Estimated Yield 5.12% Dividend Option Cash Capital Gain Option Cash	TGBAX CASH	2,416.261	\$12.37	\$29,889.15	\$30,662.35	\$1,531.67	\$30,500.00	(\$610.85)
Total Fixed Income				\$111,274.19		\$11,325.88	\$124,253.00	(\$12,978.81)
Total Mutual Funds				\$571,590.96		\$15,778.29	\$587,131.51	(\$15,540.55)
Total Securities				\$583,513.46		\$16,023.01	\$599,558.40	(\$16,044.94)
TOTAL PORTFOLIO VALUE				\$599,892.75		\$16,023.01	\$599,558.40	(\$16,044.94)

Activity

CORE FUND ACTIVITY

Settlement Date	Account Type	Transaction	Description	Quantity	Amount
12/02/11	CASH	YOU BOUGHT	TREASURY FUND DAILY MONEY CLASS @ 1	285.35	(\$285.35)
12/08/11	CASH	YOU BOUGHT	TREASURY FUND DAILY MONEY CLASS @ 1	3,056.33	(\$3,056.33)
12/09/11	CASH	YOU BOUGHT	TREASURY FUND DAILY MONEY CLASS @ 1	232.02	(\$232.02)

STEGALL CHARITABLE EDUCATIONAL FOUNDATION

Scholarships shall be granted to high school students, high school graduates or existing college students entering a full-time program of college study within one year from the scholarship application deadline. The scholarship application deadline for the Spring Semester is December 1 and the deadline for the Fall Semester is July 1. Scholarship funds shall be used only for college tuition, fees, room and board, and books and materials. Funds granted shall be a gift to the student and are not required to be repaid, except as hereinafter set forth. Funds shall be granted on a per-semester basis. Each semester's award will be accompanied with instructions for the grant and the re-qualification process for subsequent semester awards. Scholarships will be given on an equal opportunity basis. The criteria for selecting such students shall be in the discretion of the Trustees, giving preferential treatment first, to those individuals that have demonstrated a willingness to serve the general public through past civic responsibilities, and secondly, to those individuals who have expressed an intention to become an attorney.

To qualify for scholarship funds, students shall be required to possess the following:

- 1 At least a 2.8 (on a 4.0 scale) cumulative high school G.P.A. (or its equivalent, to be submitted as a sealed transcript) or an 18 composite A.C.T. score (or its equivalent) for first-time freshman;
- 2 At least a 3.0 cumulative G.P.A. (on a 4.0 scale) for college upper classmen and transfer students,
- 3 Need for financial assistance,
- 4 Full-time student status, except when less than a full-time course load is necessary to complete a degree program, and
- 5 Unrestricted academic standing with the university or college with which courses will be taken (e.g., no academic suspensions)

Students shall register for classes in accordance with university procedure and the Foundation shall pay tuition funds to the university directly, on behalf of the student. Each scholarship recipient shall receive an equal stipend for books and materials expense. At the end of each academic term, each scholarship recipient shall submit a college transcript, showing grades from the term just completed, to the Foundation's Board of Trustees. In order to continue receiving the scholarship grant for the next academic term, the student must possess at least a 2.5 G.P.A. for the preceding term paid for by the Foundation. Transcripts for qualification or re-qualification for subsequent semester awards should be submitted no later than fifteen (15) days following the end of the semester.

Any student who withdraws from a class during the academic term, which such withdrawal causes such student to lose full-time status with the university, shall be required to reimburse the Foundation for the tuition cost for the class from which he or she withdrew. This reimbursement condition may be waived at the sole discretion of the Board of Trustees for a student who suffers a serious injury, illness or similar good cause for withdrawal from a class or classes. Any student who is found to have provided false information on his or her scholarship application form shall be liable to the Foundation for the full cost of the scholarship used.

Return your completed application and pertinent attachments to
Whit Stegall
P.O. Box 150786
Nashville, TN 37215-0786

Stegall Charitable Educational Foundation Scholarship Application Form

(Please print or type)

Student Name and Address:

High School(s) Attended, Address of School:

Date of Graduation: _____

Cumulative G.P.A. (on 4.0 scale) at end of most recent semester or date of graduation _____

Please attach an official copy of your final high school transcript

Latest ACT Composite Score (or its equivalent) _____

University or College that you will attend and Address (list any attended in past or that you are currently attending):

If applicable at this time - University or College Cumulative G.P.A. (on a 4.0 scale) _____

Please attach an official copy of your current college transcript.

Please explain why you are in financial need of this scholarship. Specifically, indicate whether you are still a dependent for federal income tax purposes, and if so, the name and annual income for the person or persons for whom you are a dependent:

Past civic responsibilities: _____

Career Intentions: _____

Any personal statement or letter submitted an applicant will be reviewed by the board