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

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

2011

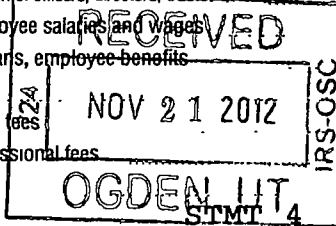
For calendar year 2011 or tax year beginning

, and ending

Name of foundation MITCHELL P. RALES FAMILY FOUNDATION		A Employer identification number 54-1739159
Number and street (or P O box number if mail is not delivered to street address) 8404 PARHAM COURT		B Telephone number 202-828-0060
City or town, state, and ZIP code MCLEAN, VA 22102		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> Foreign organizations meeting the 85% test, 2. 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) \$ 4,973,432.	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		1,049.	1,049.		STATEMENT 1
4 Dividends and interest from securities		209.	209.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		<24,518.>			
b Gross sales price for all assets on line 6a 20,061.					
7 Capital gain net income (from Part IV, line 2)			0.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less: Cost of goods sold					
c Gross profit or (loss)					
11 Other income		<11,250.>	<815.>		STATEMENT 3
12 Total. Add lines 1 through 11		<34,510.>	443.		
13 Compensation of officers, directors, trustees, etc.		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees					
c Other professional fees					
17 Interest		28.	0.		0.
18 Taxes		<84,295.>	0.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 5		61,765.	35,624.		26,141.
24 Total operating and administrative expenses. Add lines 13 through 23		<22,502.>	35,624.		26,141.
25 Contributions, gifts, grants paid		1,441,563.			1,441,563.
26 Total expenses and disbursements. Add lines 24 and 25		1,419,061.	35,624.		1,467,704.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		<1,453,571.>			
b Net investment income (if negative, enter -0-)			0.		
c Adjusted net income (if negative, enter -0-)				N/A	

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Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only

Beginning of year

End of year

(a) Book Value

(b) Book Value

(c) Fair Market Value

Assets

1	Cash - non-interest-bearing			
2	Savings and temporary cash investments	1,295,751.	233,748.	233,748.
3	Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
4	Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
5	Grants receivable			
6	Receivables due from officers, directors, trustees, and other disqualified persons			
7	Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
8	Inventories for sale or use			
9	Prepaid expenses and deferred charges			
10a	Investments - U.S. and state government obligations			
b	Investments - corporate stock STMT 7	498,407.	820,987.	820,987.
c	Investments - corporate bonds			
11	Investments - land, buildings, and equipment: basis ▶			
	Less: accumulated depreciation ▶			
12	Investments - mortgage loans			
13	Investments - other STMT 8	4,295,912.	3,918,697.	3,918,697.
14	Land, buildings, and equipment: basis ▶			
	Less: accumulated depreciation ▶			
15	Other assets (describe ▶)			
16	Total assets (to be completed by all filers)	6,090,070.	4,973,432.	4,973,432.

Liabilities

17	Accounts payable and accrued expenses			
18	Grants payable			
19	Deferred revenue			
20	Loans from officers, directors, trustees, and other disqualified persons			
21	Mortgages and other notes payable			
22	Other liabilities (describe ▶)			
23	Total liabilities (add lines 17 through 22)	0.	0.	

Net Assets or Fund Balances

	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31.			
24	Unrestricted			
25	Temporarily restricted			
26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" 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	6,090,070.	4,973,432.	
29	Retained earnings, accumulated income, endowment, or other funds	0.	0.	
30	Total net assets or fund balances	6,090,070.	4,973,432.	
31	Total liabilities and net assets/fund balances	6,090,070.	4,973,432.	

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	6,090,070.
2	Enter amount from Part I, line 27a	2	<1,453,571.>
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 6	3	336,933.
4	Add lines 1, 2, and 3	4	4,973,432.
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	4,973,432.

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 GAIN ON SALE OF STOCKS	P	01/01/09	12/31/11
b FROM PARTNERSHIP-JER REAL ESTATE	P	01/01/11	12/31/11
c FROM PARTNERSHIP-ACCOLADE PARTNERS	P	01/01/11	06/30/11
d FROM PARTNERSHIP-ACCOLADE PARTNERS	P	01/01/11	12/31/11
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 1,068.			1,068.
b		44,457.	<44,457.>
c		122.	<122.>
d 18,993.			18,993.
e			

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			1,068.
b			<44,457.>
c			<122.>
d			18,993.
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	<24,518.>
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):		3	N/A

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

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

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

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

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	2,639,895.	6,865,609.	.384510
2009	18,601,640.	14,128,518.	1.316602
2008	20,754,825.	43,984,430.	.471868
2007	3,439,140.	64,798,633.	.053074
2006	4,962,819.	61,444,626.	.080769

2 Total of line 1, column (d)	2	2.306823
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	.461365
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	5,145,256.
5 Multiply line 4 by line 3	5	2,373,841.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	0.
7 Add lines 5 and 6	7	2,373,841.
8 Enter qualifying distributions from Part XII, line 4	8	1,467,704.

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)

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		1	0.
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		2	0.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		3	0.
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
3 Add lines 1 and 2		5	0.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-			
6 Credits/Payments:			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a 11,563.		
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	11,563.
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	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		10	11,563.
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax	11,563. Refunded	11	0.

Part VIIA Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
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. \$ 0. (2) On foundation managers. \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a 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? If "Yes," attach the statement required by General Instruction T.		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? If "Yes," complete Part II, col. (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <u>VA</u>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		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? Website address ► N/A	13	X	
14	The books are in care of ► MICHAEL G. RYAN Located at ► 8404 PARHAM COURT, MCLEAN, VA	Telephone no. ► 202-828-0060 ZIP+4 ► 22102		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	15	N/A	
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ► CAYMAN ISLANDS	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
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	
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 ►	<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.)	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. ►		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.)	N/A	
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)?

☐ Yes ☒ No

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

☐ Yes ☒ No

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

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒

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

N/A

☐ Yes ☐ No

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

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

☐ Yes ☒ No

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

6b

If "Yes" to 6b, file Form 8870.

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?

N/A

7b

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
MITCHELL P. RALES	CHAIRMAN/DIRECTOR			
2200 PENNSYLVANIA AVE., N.W., STE 800	5.00	0.	0.	0.
WASHINGTON, DC 20037				
MICHAEL G. RYAN	PRESIDENT			
2200 PENNSYLVANIA AVE., N.W., STE 800	1.00	0.	0.	0.
WASHINGTON, DC 20037				
JOSEPH O. BUNTING, III	VICE PRESIDENT			
2200 PENNSYLVANIA AVE., N.W., STE 800	1.00	0.	0.	0.
WASHINGTON, DC 20037				
TERESA L.C. BALDWIN	SECRETARY/TREASURER			
2200 PENNSYLVANIA AVE., N.W., STE 800	5.00	0.	0.	0.
WASHINGTON, DC 20037				

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

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

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

0

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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. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services		0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 FOUNDATION MAKES CASH CONTRIBUTIONS TO PRE-SELECTED CHARITABLE ORGANIZATIONS.	1,441,563.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

1	NOT APPLICABLE	
		0.
2		
	All other program-related investments. See instructions.	
3		
	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	4,418,782.
b	Average of monthly cash balances	1b	321,780.
c	Fair market value of all other assets	1c	483,048.
d	Total (add lines 1a, b, and c)	1d	5,223,610.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	5,223,610.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	78,354.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,145,256.
6	Minimum investment return. Enter 5% of line 5	6	257,263.

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	257,263.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	0.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	257,263.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	257,263.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	257,263.

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	1,467,704.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,467,704.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,467,704.

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				257,263.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006	2,156,328.			
b From 2007	308,388.			
c From 2008	18,558,753.			
d From 2009	17,920,933.			
e From 2010	2,297,119.			
f Total of lines 3a through e	41,241,521.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ \$ 1,467,704.				
a Applied to 2010, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2011 distributable amount				257,263.
e Remaining amount distributed out of corpus	1,210,441.			
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	42,451,962.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	2,156,328.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	40,295,634.			
10 Analysis of line 9:				
a Excess from 2007	308,388.			
b Excess from 2008	18,558,753.			
c Excess from 2009	17,920,933.			
d Excess from 2010	2,297,119.			
e Excess from 2011	1,210,441.			

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

N/A

- 1 a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling

- b**
- Check box to indicate whether the foundation is a private operating foundation described in section
- ☐
- 4942(i)(3) or
- ☐
- 4942(i)(5)

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

SOURCE	AMOUNT
FROM PARTNERSHIP K-1 - ACCOLADE	295.
FROM PARTNERSHIP K-1 - JER	6.
FROM PARTNERSHIP K-1 - JUST SALAD	207.
INTEREST INCOME - IRS	541.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	1,049.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
FROM PARTNERSHIP K-1 - ACCOLADE	198.	0.	198.
MORGAN STANLEY SMITH BARNEY ACCT	11.	0.	11.
TOTAL TO FM 990-PF, PART I, LN 4	209.	0.	209.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
PARTNERSHIP INCOME - JER	<815.>	<815.>	
PARTNERSHIP INCOME - ACCOLADE	<273.>	0.	
PARTNERSHIP INCOME - JUST SALAD	<10,162.>	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	<11,250.>	<815.>	

FORM 990-PF	TAXES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INCOME TAX	<84,296.>	0.		0.
FOREIGN TAXES	1.	0.		0.
TO FORM 990-PF, PG 1, LN 18	<84,295.>	0.		0.

FORM 990-PF	OTHER EXPENSES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PORTFOLIO DEDUCTIONS	9,483.	9,482.		0.
OTHER EXPENSE	629.	315.		314.
PROFESSIONAL FEES	51,653.	25,827.		25,827.
TO FORM 990-PF, PG 1, LN 23	61,765.	35,624.		26,141.

FORM 990-PF	OTHER INCREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	6
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DESCRIPTION	AMOUNT
CHANGE IN MARKET VALUE OF INVESTMENTS	329,190.
SCHEDULE M-1'S FROM PARTNERSHIPS	7,743.
TOTAL TO FORM 990-PF, PART III, LINE 3	336,933.

FORM 990-PF	CORPORATE STOCK	STATEMENT	7
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
GOLDMAN DISTRESSED FUND	820,987.	820,987.
TOTAL TO FORM 990-PF, PART II, LINE 10B	820,987.	820,987.

FORM 990-PF

OTHER INVESTMENTS

STATEMENT 8

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
ACCOLADE PARTNERS	FMV	230,742.	230,742.
DUNE CAPITAL LTD	FMV	515,636.	515,636.
INVESTMENT IN ARTWORK	COST	120,000.	120,000.
JER REAL ESTATE PARTNERS II	FMV	6,859.	6,859.
JUST SALAD LLC	FMV	83,301.	83,301.
NET RETURN FUND LTD	FMV	2,962,159.	2,962,159.
TOTAL TO FORM 990-PF, PART II, LINE 13		3,918,697.	3,918,697.

Mitchell P. Rales Family Foundation
54-1739159
12/31/11

STATEMENT 9

Part I Col (a) - Contributions, Gifts and Grants Paid
Part XV - 3 (a)

Name	Class of Activity or Purpose	Descr of Property	Relationship	Status	Cost or FMV	Date
MATTEL CHILDREN'S HOSPITAL OF UCLA	al Research/Charitable Contr	Cash	None	Public	1,000.00	1/7/11
US HOLOCAUST MEMORIAL MUSEUM	Charitable Contribution	Cash	None	Public	5,000.00	2/9/11
JUVENILE DIABETES RESEARCH	al Research/Charitable Contr	Cash	None	Public	500.00	2/9/11
IGLESIA DE RESTAURACION APOSTOLES	Charitable Contribution	Cash	None	Public	1,000.00	2/9/11
THE SEED FOUNDATION	Educational Support	Cash	None	Public	1,000,000.00	2/10/11
CROHN'S & COLITIS FOUNDATION	al Research/Charitable Contr	Cash	None	Public	2,500.00	3/4/11
RIDE ACROSS MARYLAND FOUNDATION, INC	Charitable Contribution	Cash	None	Public	1,000.00	3/22/11
WEILL CORNELL MEDICAL COLLEGE	ional Support/Charitable Cont	Cash	None	Public	1,000.00	3/22/11
CASE WESTERN RESERVE UNIVERSITY	Educational Support	Cash	None	Public	75,000.00	3/29/11
WASHINGTON HEBREW CONGREGATION	Charitable Contribution	Cash	None	Public	10,000.00	4/5/11
WOMEN FOR WOMEN INTERNATIONAL	Charitable Contribution	Cash	None	Public	5,000.00	4/7/11
MOUNT DESERT ISLAND HOSPITAL	al Research/Charitable Contr	Cash	None	Public	50,000.00	4/19/11
NATIONAL GALLERY OF ART	Support the Arts	Cash	None	Public	30,000.00	5/23/11
BETA THETA PI FOUNDATION	Charitable Contribution	Cash	None	Public	1,500.00	6/2/11
JUVENILE DIABETES RESEARCH	al Research/Charitable Contr	Cash	None	Public	5,000.00	6/7/11
CALDER FOUNDATION	Support the Arts	Cash	None	Public	10,000.00	7/6/11
MIAMI UNIVERSITY FOUNDATION	Educational Support	Cash	None	Public	27,000.00	7/12/11
FRIENDS OF ACADIA	Charitable Contribution	Cash	None	Public	10,000.00	7/14/11
ALPINE CHILDREN'S CHARITY	Charitable Contribution	Cash	None	Public	1,000.00	7/28/11
LINCOLN CENTER FOR THE PERFORMING ARTS	Support the Arts	Cash	None	Public	10,000.00	8/10/11
VIRGINIA ATHLETICS FOUNDATION	Educational Support	Cash	None	Public	75,000.00	8/25/11
WORLD MONUMENTS FUND	Charitable Contribution	Cash	None	Public	10,000.00	9/1/11
SHADY GROVE ADVENTIST HOSPITAL	al Research/Charitable Contr	Cash	None	Public	5,000.00	9/1/11
GOODWILL OF GREATER WASHINGTON	Charitable Contribution	Cash	None	Public	5,000.00	9/27/11
FIGHT FOR CHILDREN	Charitable Contribution	Cash	None	Public	23,800.00	10/3/11
SUNDARI FOUNDATION INC	Charitable Contribution	Cash	None	Public	10,000.00	10/10/11
ILLINOIS INSTITUTE OF TECHNOLOGY	Educational Support	Cash	None	Public	1,250.00	10/18/11
FOUND FOR ART AND PRESERV IN EMBASSIES	Support the Arts	Cash	None	Public	10,000.00	11/21/11
MUSEUM OF MODERN ART	Support the Arts	Cash	None	Public	50,000.00	11/2/11
LOMBARDI CANCER CENTER	al Research/Charitable Contr	Cash	None	Public	5,000.00	12/22/11
FROM K-1					13.00	

TOTAL

1,441,563

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

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

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

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

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
	MITCHELL P. RALES FAMILY FOUNDATION	<input checked="" type="checkbox"/> 54-1739159
	Number, street, and room or suite no. If a P.O. box, see instructions.	Social security number (SSN)
	8404 PARHAM COURT	<input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions	
	MCLEAN, VA 22102	

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

04

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

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

MICHAEL G. RYAN

- The books are in the care of ☒ 8404 PARHAM COURT, MCLEAN, VA - 22102

Telephone No. ☒ 202-828-0060

FAX No. ☐

- If the organization does not have an office or place of business in the United States, check this box ☐

- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ☐. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

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

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

6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return

☐ Change in accounting period

7 State in detail why you need the extension

ADDITIONAL TIME IS NEEDED TO GATHER INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	0.
8b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	\$	11,563.
8c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	8c	\$	0.

Signature and Verification must be completed for Part II only.

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

Signature ☒ Michael G. Ryan Title ☒ PRESIDENT

Date ☒ 8/7/12

Form 8868 (Rev. 1-2012)

Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

► **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
	MITCHELL P. RALES FAMILY FOUNDATION	<input checked="" type="checkbox"/> 54-1739159
	Number, street, and room or suite no. If a P.O. box, see instructions. 8404 PARHAM COURT	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. MCLEAN, VA 22102	

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

04

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

MICHAEL G. RYAN

- The books are in the care of ► **8404 PARHAM COURT, MCLEAN, VA - 22102**
Telephone No. ► **202-828-0060** FAX No. ►

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

- 1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2012**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
► ☒ calendar year **2011** or
► ☐ tax year beginning , and ending .

- 2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	11,563.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form **8868** (Rev. 1-2012)