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

OMB No 1545-0052

2011

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

, and ending

Name of foundation THE LOUIE R. AND GERTRUDE MORGAN FOUNDATION, INC.		A Employer identification number 59-6142359
Number and street (or P.O. box number if mail is not delivered to street address) P.O. BOX 550	Room/suite	B Telephone number 863-494-1551
City or town, state, and ZIP code ARCADIA, FL 34265-0550		C If exemption application is pending, check here <input type="checkbox"/>
D Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 65% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 2,987,847.	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		20,418.	20,418.		STATEMENT 1
4 Dividends and interest from securities		75,528.	75,528.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		4,364.			
b Gross sales price for all assets on line 6a 275,902.					
7 Capital gain net income (from Part IV, line 2)			4,364.		
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		-10,227.	-10,227.		STATEMENT 3
12 Total Add lines 1 through 11		90,083.	90,083.		
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 STMT 4		7,620.	0.		7,620.
c Other professional fees STMT 5		19,172.	19,172.		0.
17 Interest					
18 Taxes STMT 6		3,701.	682.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 7		1,349.	0.		1,316.
24 Total operating and administrative expenses. Add lines 13 through 23		31,842.	19,854.		8,936.
25 Contributions, gifts, grants paid		109,000.			109,000.
26 Total expenses and disbursements Add lines 24 and 25		140,842.	19,854.		117,936.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		-50,759.			
b Net investment income (if negative, enter -0-)			70,229.		
c Adjusted net income (if negative, enter -0-)				N/A	

5

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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	100,125.	179,169.	179,169.
	2 Savings and temporary cash investments	469,413.	441,319.	441,319.
	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 STMT 8	176,984.	76,372.	77,186.
	b Investments - corporate stock STMT 9	859,403.	791,861.	1,230,469.
	c Investments - corporate bonds STMT 10	124,260.	74,318.	77,021.
Liabilities	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 11	825,657.	942,044.	982,683.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers)	2,555,842.	2,505,083.	2,987,847.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
Net Assets or Fund Balances	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 and complete lines 24 through 26 and lines 30 and 31. ▶ <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	2,555,842.	2,505,083.	
30 Total net assets or fund balances	2,555,842.	2,505,083.		
31 Total liabilities and net assets/fund balances	2,555,842.	2,505,083.		

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	2,555,842.
2 Enter amount from Part I, line 27a	2	-50,759.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	2,505,083.
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	2,505,083.

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			
b SEE ATTACHED STATEMENT			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e 275,902.		271,538.	4,364.

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			
b			
c			
d			
e			4,364.

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** 4,364.

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).
If (loss), enter -0- in Part I, line 8 { } **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	104,476.	2,917,051.	.035816
2009	113,846.	2,651,618.	.042935
2008	106,776.	2,816,745.	.037908
2007	139,151.	2,994,324.	.046472
2006	115,000.	2,882,048.	.039902

2 Total of line 1, column (d)	2	.203033
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	.040607
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	3,074,093.
5 Multiply line 4 by line 3	5	124,830.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	702.
7 Add lines 5 and 6	7	125,532.
8 Enter qualifying distributions from Part XII, line 4	8	117,936.

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	1,405.
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	1,405.
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	1,405.
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	2,360.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	2,500.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	4,860.	
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	3,455.	
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	0.	

Part VII-A 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. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 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?	X	
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) <input type="checkbox"/> FL		
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 LORI ESKEW Telephone no. 863-494-1551 Located at P.O. BOX 550, ALCADIA, FL ZIP+4 34265			
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 N/A	16	Yes	No
				X

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		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	1b	
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? N/A	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years _____		
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	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <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	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b	X

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

5a During the year did the foundation pay or incur any amount to:

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

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? ☐ Yes ☒ No

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **N/A**

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
BOBBY C. MIXON	PRESIDENT			
P.O. BOX 550				
ARCADIA, FL 34265	1.00	0.	0.	0.
RICK WIERICHS	VICE PRESIDENT			
P.O. BOX 550				
ARCADIA, FL 34265	1.00	0.	0.	0.
PAM VOWELS	SECRETARY			
P.O. BOX 550				
ARCADIA, FL 34265	1.00	0.	0.	0.
LORI ESKEW	TREASURER			
P.O. BOX 550				
ARCADIA, FL 34265	1.00	0.	0.	0.

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

Form 990-PF (2011)

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	N/A	
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.

Amount

1	N/A	
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 2,445,700.
b	Average of monthly cash balances	1b 675,207.
c	Fair market value of all other assets	1c
d	Total (add lines 1a, b, and c)	1d 3,120,907.
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 3,120,907.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4 46,814.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5 3,074,093.
6	Minimum investment return. Enter 5% of line 5	6 153,705.

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	1 153,705.
2a	Tax on investment income for 2011 from Part VI, line 5	2a 1,405.
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b
c	Add lines 2a and 2b	2c 1,405.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3 152,300.
4	Recoveries of amounts treated as qualifying distributions	4 0.
5	Add lines 3 and 4	5 152,300.
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	7 152,300.

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 117,936.
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	4 117,936.
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	6 117,936.

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.

Form 990-PF (2011)

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				152,300.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			76,605.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4: \$ 117,936.				
a Applied to 2010, but not more than line 2a			76,605.	
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				41,331.
e Remaining amount distributed out of corpus	0.			
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	0.			
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				110,969.
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	0.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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(j)(3) or ☐ 4942(j)(5)

	Tax year				(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see instructions.)

1 **Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed:

BOBBY C. MIXON, 941-365-4617
P.O. BOX 550, ARCADIA, FL 342650550

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

WRITTEN DESCRIPTION

c Any submission deadlines:

NONE

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

NONE

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
ARCADIA CHURCH OF GOD 1423 NE OAK ST. ARCADIA, FL 34266	NONE	509(A)(1)	GENERAL FUND	5,000.
CHURCH OF CHRIST 710 W. ML KING JR. ST. ARCADIA, FL 34266	NONE	509(A)(1)	GENERAL FUND	5,000.
DIAMOND DAWGS BASEBALL 6539 MEANDERING WAY BRADENTON, FL 34202	NONE	509(A)(1)	GENERAL FUND	5,000.
FIRST PRESBYTERIAN CHURCH 209 W. HICKORY STREET ARCADIA, FL 34266	NONE	509(A)(1)	GENERAL FUND	5,000.
GRACE LUTHERAN CHURCH 1004 OAK ST. ARCADIA, FL 34266	NONE	509(A)(1)	GENERAL FUND	5,000.
Total	SEE CONTINUATION SHEET(S)			109,000.
b Approved for future payment				
NONE				
Total				0.

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)
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount		Related or exempt function income
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			14	20,418.		
4 Dividends and interest from securities			14	75,528.		
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	-10,227.		
8 Gain or (loss) from sales of assets other than inventory			18	4,364.		
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)		0.		90,083.		0.
13 Total. Add line 12, columns (b), (d), and (e)						90,083.

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

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

[illegible]


Part XVII


1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?	Yes	No
a	Transfers from the reporting foundation to a noncharitable exempt organization of:		
	(1) Cash	1a(1)	X
	(2) Other assets	1a(2)	X
b	Other transactions:		
	(1) Sales of assets to a noncharitable exempt organization	1b(1)	X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)	X
	(3) Rental of facilities, equipment, or other assets	1b(3)	X
	(4) Reimbursement arrangements	1b(4)	X
	(5) Loans or loan guarantees	1b(5)	X
	(6) Performance of services or membership or fundraising solicitations	1b(6)	X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c	X

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.		
(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		May the IRS discuss this return with the preparer shown below (see instr.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	 Signature of officer or trustee	10-4-12 Date	

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	ROBERT P. CLARKE		10/3/12		P00056150
	Firm's name ▶ KERKERING, BARBERIO & CO.			Firm's EIN ▶ 59-1753337	
	Firm's address ▶ P.O. BOX 49348 SARASOTA, FL 34230-6348			Phone no. 941-365-4617	

THE LOUIE R. AND GERTRUDE
MORGAN FOUNDATION, INC.

59-6142359

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
PALM BEACH ATLANTIC UNIVERSITY 901 S. FLAGLER DRIVE WEST PALM BEACH, FL 33416	NONE	509(A)(1)	GENERAL FUND	15,000.
RBIS BASEBALL OF SARASOTA 26925 CROSBY ROAD MYAKKA CITY, FL 34251	NONE	509(A)(1)	GENERAL FUND	20,000.
SARASOTA BAPTIST CHURCH 7091 PROCTOR ROAD SARASOTA, FL 34241	NONE	509(A)(1)	GENERAL FUND	10,000.
SARASOTA COUNTY YOUTH BASEBAL 12TH STREET & TUTTLE AVE. SARASOTA, FL 34236	NONE	509(A)(1)	GENERAL FUND	24,000.
SARASOTA HEAT 4424 GALLUP AVENUE SARASOTA, FL 34233	NONE	509(A)(1)	GENERAL FUND	531.
TRINITY UNITED METHODIST CHURCH 304 W. OAK STREET ARCADIA, FL 34266	NONE	509(A)(1)	GENERAL FUND	5,000.
SARASOTA QUICKSILVER 1133 GUN CLUB ROAD SARASOTA, FL 34232	NONE	509(A)(2)	GENERAL FUND	4,469.
MANATEE HEAT 7803 MANATEE AVENUE WEST BRADENTON, FL 34209	NONE	509(A)(1)	GENERAL FUND	5,000.
Total from continuation sheets				84,000.

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	FAIRHOLME FUND	P		11/01/11
b	FAIRHOLME FUND	P		11/01/11
c	FED HOME LOAN 5.375%	P		08/19/11
d	FED NATL MTG 5%	P		10/17/11
e	GOLDMAN SACHS GROUP 5%	P		01/18/11
f	HSBC FIN CORP 6.875%	P	11/05/08	07/15/11
g	VEOLIA ENVIRONMENTAL	P		09/12/11
h	WELLS FARGO CAP 7%	P	11/24/08	04/25/11
i	CAPITAL GAINS DIVIDENDS			
j				
k				
l				
m				
n				
o				

(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 1,732.		1,619.	113.
b 28,350.		26,503.	1,847.
c 50,000.		50,094.	-94.
d 50,000.		50,519.	-519.
e 50,000.		49,942.	58.
f 25,000.		21,130.	3,870.
g 13,052.		25,346.	-12,294.
h 50,000.		46,385.	3,615.
i 7,768.			7,768.
j			
k			
l			
m			
n			
o			

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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			113.
b			1,847.
c			-94.
d			-519.
e			58.
f			3,870.
g			-12,294.
h			3,615.
i			7,768.
j			
k			
l			
m			
n			
o			

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	4,364.
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). If (loss), enter "-0-" in Part I, line 8 }	3	N/A

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

SOURCE	AMOUNT
BANK OF AMERICA	15.
CNF/NFS	16,766.
FIRST STATE BANK	3,517.
FROM PARTNERSHIPS	117.
WACHOVIA BANK	1.
WACHOVIA CD	2.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	20,418.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
CNF/NFS	83,211.	7,768.	75,443.
FROM PARTNERSHIPS	85.	0.	85.
TOTAL TO FM 990-PF, PART I, LN 4	83,296.	7,768.	75,528.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
NET K-1 INCOME AND REFUNDS	-10,227.	-10,227.	
TOTAL TO FORM 990-PF, PART I, LINE 11	-10,227.	-10,227.	

FORM 990-PF	ACCOUNTING FEES			STATEMENT	4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
ACCOUNTING FEES	7,620.	0.		7,620.	
TO FORM 990-PF, PG 1, LN 16B	7,620.	0.		7,620.	

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
INVESTMENT MANAGEMENT	19,172.	19,172.		0.	
TO FORM 990-PF, PG 1, LN 16C	19,172.	19,172.		0.	

FORM 990-PF	TAXES			STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FEDERAL TAX	3,019.	0.		0.	
FOREIGN TAX	682.	682.		0.	
TO FORM 990-PF, PG 1, LN 18	3,701.	682.		0.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
INSURANCE	1,316.	0.		1,316.	
MISCELLANEOUS	33.	0.		0.	
TO FORM 990-PF, PG 1, LN 23	1,349.	0.		1,316.	

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	8
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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
FNMA 5% 10/15/11	X		0.	0.
FHLB 5.375% 8/19/11	X		0.	0.
FNMA 4.375% 9/15/12	X		76,372.	77,186.
TOTAL U.S. GOVERNMENT OBLIGATIONS			76,372.	77,186.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			76,372.	77,186.

FORM 990-PF	CORPORATE STOCK	STATEMENT	9
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
COMMONWEALTH FINANCIAL NETWORK - SEE ATTACHED	791,861.	1,230,469.
TOTAL TO FORM 990-PF, PART II, LINE 10B	791,861.	1,230,469.

FORM 990-PF	CORPORATE BONDS	STATEMENT	10
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
GOLDMAN SACHS GROUP 5% 1/15/11	0.	0.
GOLDEN FINL CORP 4.75% 10/01/02	74,318.	77,021.
TOTAL TO FORM 990-PF, PART II, LINE 10C	74,318.	77,021.

FORM 990-PF

OTHER INVESTMENTS

STATEMENT 11

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
COMMONWEALTH FINANCIAL NETWORK - SEE ATTACHED	COST	942,044.	982,683.
TOTAL TO FORM 990-PF, PART II, LINE 13		942,044.	982,683.

FEIN 59-6142359

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

LOUIE R & GERTRUDE MORGAN FOUNDATION INC - Corporation
Account Number: B36-806099



Holdings

HOLDINGS > EQUITIES - 51.32% 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								
ALTRIA GROUP INC	MO	1,500	\$29.65	\$44,475.00	\$43,035.00	\$2,460.00	\$25,900.00	\$18,575.00
Estimated Yield 5.53%	CASH							
Dividend Option Cash								
Capital Gain Option Cash								
Next Dividend Payable: 01/10/12								
BARCLAYS BANK PLC SPONSORED ADR	BCSPRA	1,000	\$19.77	\$19,770.00	\$20,180.00	\$1,775.00	\$16,005.00	\$3,765.00
REPSTG CALLABLE DOLLAR PREF SHS	CASH							
SER 3.7 10% PERPETUAL								
CALLABLE ON 12/15/2012 @ 25.0000								
Estimated Yield 8.97%								
ENERGY TRANSFER PARTNERS LP UT	ETP	750	\$45.85	\$34,387.50	\$32,820.00	\$2,681.25	\$27,073.00	\$7,314.50
LTD PARTNERSHIP INT	CASH							
Estimated Yield 7.79%								

COMMONWEALTH FINANCIAL NETWORK

111230 280 031027733

Account carried with National Financial Services LLC, Member
NYSE, SIPC

FEIN 59-6142359

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

LOUIE R & GERTRUDE MORGAN FOUNDATION INC - Corporation
Account Number: B36-806099HOLDINGS > EQUITIES *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)
ENTERPRISE PRODUCTS PPTNS LP	EPD CASH	1,200	\$46.38	\$55,656.00	\$54,588.00	\$2,886.00	\$27,768.80	\$27,887.20
Estimated Yield 5.18%								
EXXON MOBIL CORP	XOM CASH	575	\$84.76	\$48,737.00	\$46,253.00	\$1,081.00	\$39,803.39	\$8,933.61
Estimated Yield 2.21%								
Dividend Option Cash								
Capital Gain Option Cash								
FIRST TRUST MORTGAGE INCM FD COM SHS	FMY CASH	1,500	\$19.04	\$28,560.00	\$28,260.00	\$2,880.00	\$28,638.45	(\$78.45)
Estimated Yield 10.08%								
Dividend Option Cash								
Capital Gain Option Cash								
Next Dividend Payable: 01/17/12								
GENERAL ELECTRIC CO	GE CASH	2,000	\$17.91	\$35,820.00	\$31,820.00	\$1,360.00	\$27,630.00	\$8,190.00
Estimated Yield 3.79%								
Dividend Option Cash								
Capital Gain Option Cash								
Next Dividend Payable: 01/25/12								
ISHARES TR S&P MIDCAP 400/GROWTH INDEX FUND	LUK CASH	500	\$98.73	\$49,365.00	\$50,340.00	\$326.73	\$25,206.00	\$24,159.00
Estimated Yield 0.66%								
Dividend Option Cash								
Capital Gain Option Cash								
ISHARES TR S&P MIDCAP 400/ VALUE INDEX FD	LUJ CASH	400	\$75.98	\$30,392.00	\$30,296.00	\$540.77	\$18,444.32	\$11,947.68
Estimated Yield 1.77%								
Dividend Option Cash								
Capital Gain Option Cash								
ISHARES TR S&P SMALLCAP 600/ VALUE INDEX FD	LUS CASH	400	\$69.76	\$27,904.00	\$27,480.00	\$368.93	\$17,544.64	\$10,359.36
Estimated Yield 1.32%								
Dividend Option Cash								
Capital Gain Option Cash								

COMMONWEALTH FINANCIAL NETWORK

111230 280 031027733

Account carried with National Financial Services LLC, Member
NYSE, SIPC

FEIN 59-6142359

Statement for the Period December 1, 2011 to December 31, 2011
 LOUIE R & GERTRUDE MORGAN FOUNDATION INC - Corporation
 Account Number: B36-806099

HOLDINGS > EQUITIES *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)
ISHARES TR S&P SMALLCAP 600/ GROWTH INDEX FD Estimated Yield 0.64% Dividend Option Cash Capital Gain Option Cash	IJT CASH	400	\$74.47	\$29,788.00	\$29,720.00	\$193.07	\$16,451.72	\$13,336.28
ISHARES TR S&P U S PFD STK INDEX FD Estimated Yield 6.98% Dividend Option Cash Capital Gain Option Cash Next Dividend Payable: 01/04/12	PFF CASH	3,000	\$35.62	\$106,860.00	\$107,820.00	\$7,460.07	\$88,039.01	\$18,820.99
ISHARES TR S&P 500/ GROWTH INDEX FD ISHARES Estimated Yield 1.61% Dividend Option Cash Capital Gain Option Cash	IWW CASH	2,600	\$67.43	\$175,318.00	\$175,474.00	\$2,833.01	\$110,087.76	\$65,230.24
ISHARES TR S&P 500/ VALUE INDEX FD Estimated Yield 2.29% Dividend Option Cash Capital Gain Option Cash	IWE CASH	2,000	\$57.83	\$115,660.00	\$114,280.00	\$2,653.99	\$86,827.60	\$28,832.40
JP MORGAN CHASE CAP X PFD 7% 07/15/2032 Estimated Yield 6.84%	JPMPPJ CASH	1,000	\$25.55	\$25,550.00	\$25,430.00	\$1,750.00	\$23,036.00	\$2,514.00
KINDER MORGAN ENERGY PARTNERS L P Estimated Yield 5.39%	KMP CASH	550	\$84.95	\$46,722.50	\$43,010.00	\$2,519.00	\$28,753.67	\$17,968.83
MAGELLAN MIDSTREAM PARTNERS LP COM UNIT REPSTG LTD PARTNER INT Estimated Yield 4.48%	MMP CASH	900	\$68.88	\$61,992.00	\$57,582.00	\$2,777.40	\$33,867.47	\$28,124.53
NEXTERA ENERGY INC COM N/C FROM 302571104 #REOR M0050640310001 Estimated Yield 3.61% Dividend Option Cash Capital Gain Option Cash	NEE CASH	500	\$60.88	\$30,440.00	\$27,720.00	\$1,100.00	\$25,552.00	\$4,888.00

COMMONWEALTH FINANCIAL NETWORK

111230 280 031027733

Account carried with National Financial Services LLC, Member
 NYSE, SIPC

FEIN 59-6142359

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

LOUIE R & GERTRUDE MORGAN FOUNDATION INC - Corporation
Account Number: B36-806099**HOLDINGS > EQUITIES** *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)
NOVARTIS AG ADR ISIN #US66987V1098 Estimated Yield 3.77 % Dividend Option Cash Capital Gain Option Cash	NVS CASH	700	\$57.17	\$40,019.00	\$37,884.00	\$1,509.10	\$28,565.09	\$11,453.91
PAYCHEX INC Estimated Yield 4.25 % Dividend Option Cash Capital Gain Option Cash	PAYX CASH	1,250	\$30.11	\$37,637.50	\$36,387.50	\$1,600.00	\$38,743.50	(\$1,106.00)
PEPSICO INC Estimated Yield 3.10 % Dividend Option Cash Capital Gain Option Cash Next Dividend Payable: 01/03/12	PEP CASH	500	\$66.35	\$33,175.00	\$32,000.00	\$1,030.00	\$24,189.00	\$8,986.00
SOUTHERN CO Estimated Yield 4.08 % Dividend Option Cash Capital Gain Option Cash	SO CASH	1,000	\$46.29	\$46,290.00	\$43,910.00	\$1,890.00	\$28,070.00	\$18,220.00
SPDR GOLD TR GOLD SHS Dividend Option Cash Capital Gain Option Cash	GLD CASH	150	\$151.99	\$22,798.50	\$25,519.50		\$13,255.51	\$9,542.99
VERIZON COMMUNICATIONS Estimated Yield 4.98 % Dividend Option Cash Capital Gain Option Cash Next Dividend Payable: 02/01/12	VZ CASH	850	\$40.12	\$34,102.00	\$32,070.50	\$1,700.00	\$22,356.42	\$11,745.58
WISDOMTREE TR TOTAL DIVID FD Estimated Yield 2.81 % Dividend Option Cash Capital Gain Option Cash	DTD CASH	1,000	\$49.05	\$49,050.00	\$48,110.00	\$1,379.92	\$30,015.60	\$19,034.40
Total Equity				\$1,230,469.00		\$46,755.24	\$851,823.95	\$378,645.05
Total Equities				\$1,230,469.00		\$46,755.24	\$851,823.95	\$378,645.05

COMMONWEALTH FINANCIAL NETWORK

111230 280 031027733

Account earned with National Financial Services LLC, Member
NYSE, SIPC

FEIN 59-6142359

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

LOUIE R & GERTRUDE MORGAN FOUNDATION INC - Corporation
Account Number: B36-806099**HOLDINGS > FIXED INCOME - 6.43% of Total Account Value**

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)
Corporate Bonds								
GOLDEN WEST FINL CORP DEL 4.75000% 10/01/2012 SR NT CASH	381317A09 CASH	75,000	\$102.695	\$77,021.25	\$77,228.25	\$3,562.50	74,318.22	
MOODY'S A2/S&P A+ CPN PMT SEMI-ANNUAL ON APR 01, OCT 01 Next Interest Payable: 04/01/12 Accrued Interest \$890.62								
U.S. Treasury / Agency Securities								
FEDERAL NATL MTG ASSN 4.37500% 09/15/2012 FR CASH	31359MPF4 CASH	75,000	\$102.915	\$77,186.25	\$77,460.75	\$3,281.25	76,372.05	
MOODY'S Aaa /S&P AA+ CPN PMT SEMI-ANNUAL ON MAR 15, SEP 15 Next Interest Payable 03/15/12 Accrued Interest \$966.15								
Total Fixed Income		150,000		\$154,207.50		\$6,843.75	150,690.27	

HOLDINGS > MUTUAL FUNDS - 40.99% 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)
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Equity

COMMONWEALTH FINANCIAL NETWORK

111230 280 031027733

Account carried with National Financial Services LLC. Member
NYSE, SIPC

FEIN 59-6142359

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

LOUIE R & GERTRUDE MORGAN FOUNDATION INC - Corporation
Account Number: B36-806099HOLDINGS > MUTUAL FUNDS *continued*

Description	Symbol/Cusip Account Type	Quantity	Price on 12/31/11	Current Market Value	Prior Market Value	Annual Income	Cost Basis	Total Cost Basis	Unrealized Gain (Loss)
AMERICAN CAPITAL INCOME BUILDER CL F2	CAIPX CASH	830.808	\$49.19	\$40,867.45	\$40,280.14	\$1,638.52	\$38,407.97		\$2,459.48
Estimated Yield 4.00%									
Dividend Option Reinvest									
Capital Gain Option Reinvest									
CALAMOS CONVERTIBLE FUND CL I	CICVX CASH	3,624.399	\$15.95	\$60,999.16	\$62,421.23		\$69,335.37		(\$8,336.21)
Dividend Option Reinvest									
Capital Gain Option Reinvest									
THORNBURG INCOME BUILDER CL I	TIBIX CASH	2,155.716	\$18.06	\$38,932.23	\$37,913.07	\$2,666.92	\$32,265.03		\$6,667.20
Estimated Yield 6.85%									
Dividend Option Reinvest									
Capital Gain Option Reinvest									
VANGUARD CONVERTIBLE SECURITIES INV	VCV SX CASH	3,423.136	\$11.84	\$40,529.93	\$40,240.04	\$1,766.34	\$37,881.48		\$2,648.45
Estimated Yield 4.35%									
Dividend Option Reinvest									
Capital Gain Option Reinvest									
VANGUARD WELLESLEY INCOME ADMIRAL	VWV LX CASH	940.627	\$55.56	\$52,272.35	\$50,979.78	\$1,908.00	\$51,453.47		\$818.88
Estimated Yield 3.65%									
Dividend Option Reinvest									
Capital Gain Option Reinvest									
VANGUARD WELLINGTON INVESTOR	VWELX CASH	1,676.721	\$31.34	\$52,548.44	\$51,683.71	\$1,582.82	\$51,927.52		\$620.92
Estimated Yield 3.01%									
Dividend Option Reinvest									
Capital Gain Option Reinvest									
Total Equity				\$286,149.56		\$9,562.60	\$281,270.84		\$4,878.72
Fixed Income									
FIDELITY FLOATING RATE HIGH INCOME	FFRHX CASH	8,133.69	\$9.64	\$78,408.77	\$77,810.33	\$2,650.64	\$79,046.90		(\$638.13)
Estimated Yield 3.38%									
Dividend Option Reinvest									
Capital Gain Option Reinvest									

COMMONWEALTH FINANCIAL NETWORK

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

LOUIE R & GERTRUDE MORGAN FOUNDATION INC - Corporation

Account Number: B36-806099

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)
FIDELITY NEW MARKETS INCOME								
Estimated Yield 5.54%	FNMIX	4,101.781	\$15.83	\$64,931.19	\$64,060.90	\$3,600.39	\$62,290.52	\$2,640.67
Dividend Option Reinvest	CASH							
Capital Gain Option Reinvest								
LOOMIS SAYLES BOND INSTL								
Estimated Yield 6.30%	LSBOX	3,654.427	\$13.93	\$50,906.17	\$50,375.82	\$3,211.51	\$49,939.22	\$966.95
Dividend Option Reinvest	CASH							
Capital Gain Option Reinvest								
METROPOLITAN WEST TOTAL RETURN CLASS I								
Estimated Yield 4.62%	MWTIX	5,549.2	\$10.37	\$57,545.20	\$56,929.00	\$2,660.72	\$50,216.84	\$7,328.36
Dividend Option Reinvest	CASH							
Capital Gain Option Reinvest								
PIMCO EMERGING LOCAL BOND FD INST CL								
Estimated Yield 5.33%	PELBX	4,440.285	\$10.05	\$44,624.86	\$45,224.80	\$2,380.75	\$48,327.93	(\$3,703.07)
Dividend Option Reinvest	CASH							
Capital Gain Option Reinvest								
PIMCO REAL RETURN BOND INSTL CLASS								
Estimated Yield 3.66%	PRRIX	4,741.29	\$11.79	\$55,899.81	\$55,572.96	\$2,048.71	\$53,837.46	\$2,062.35
Dividend Option Reinvest	CASH							
Capital Gain Option Reinvest								
PIMCO TOTAL RETURN INSTL								
Estimated Yield 3.35%	PTTRX	4,929.374	\$10.87	\$53,582.30	\$52,664.00	\$1,795.19	\$51,101.54	\$2,480.76
Dividend Option Reinvest	CASH							
Capital Gain Option Reinvest								
PIMCO UNCONSTRAINED BD INSTL CLASS								
Estimated Yield 1.93%	PFIUX	4,526.273	\$10.89	\$49,291.11	\$48,945.95	\$955.84	\$45,206.53	\$4,084.58
Dividend Option Reinvest	CASH							
Capital Gain Option Reinvest								

COMMONWEALTH FINANCIAL NETWORK

111230 280 031027733

Account carried with National Financial Services LLC, Member
NYSE, SIPC

FEIN 59-6142339

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

LOUIE R & GERTRUDE MORGAN FOUNDATION INC - Corporation
Account Number: B36-806099



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)
VANGUARD FI HIGH YLD CORP INVESTOR CL	VWEHX CASH	14,655,489	\$5.69	\$83,389.73	\$81,158.00	\$5,969.17	\$66,593.92	\$16,795.81
Estimated Yield 7.15% Dividend Option Reinvest Capital Gain Option Reinvest								
VANGUARD GNMA INVESTOR CL	VFIIX CASH	4,508,498	\$11.07	\$49,909.07	\$49,609.24	\$1,599.75	\$46,820.74	\$3,088.33
Estimated Yield 3.20% Dividend Option Reinvest Capital Gain Option Reinvest								
VANGUARD SHORT TERM INVMT GRADE INVESTOR	VFTX CASH	10,154,586	\$10.64	\$108,044.80	\$107,610.06	\$3,054.70	\$107,391.98	\$652.82
Estimated Yield 2.82% Dividend Option Reinvest Capital Gain Option Reinvest								
Total Fixed Income				\$696,533.01		\$29,927.37	\$660,773.58	\$35,759.43
Total Mutual Funds				\$982,682.57		\$39,489.97	\$942,044.42	\$40,638.15

Total Securities

\$2,367,359.07
\$93,088.96 1,944,358.64
Less K-1 cost basis
adjustment (59,963.49)

COMMONWEALTH FINANCIAL NETWORK

111230 280 031027733

Account carried with National Financial Services LLC, Member
NYSE, SIPC