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**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation****2011**Department of the Treasury
Internal Revenue Service

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

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

Bob & Marie Gallo Foundation

P.O. Box 1130

Modesto, CA 95353

A Employer identification number
91-2048972**B** Telephone number (see the instructions)
(209) 341-3142**C** If exemption application is pending, check here ☐**D** 1 Foreign organizations, check here ☐**2** Foreign organizations meeting the 85% test, check here and attach computation ☐**E** If private foundation status was terminated under section 507(b)(1)(A), check here ☐**F** If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐**G** Check all that apply: ☐ Initial return ☐ Initial Return of a former public charity
☐ Final return ☐ Amended return
☐ Address change ☐ Name change**H** Check type of organization: ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation**I** Fair market value of all assets at end of year (from Part II, column (c), line 16)
\$ 8,410,514.
J Accounting method: ☒ Cash ☐ Accrual
☐ Other (specify) _____
(Part I, column (d) must be on cash basis)**Part I Analysis of Revenue and Expenses**

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (att sch)	11,612.			
2 Ck <input type="checkbox"/> if the foundn is not req to att Sch B				
3 Interest on savings and temporary cash investments	95.	95.		
4 Dividends and interest from securities	274,994.	274,994.		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain/(loss) from sale of assets not on line 10	121,525.			
b Gross sales price for all assets on line 6a	2,130,198.			
7 Capital gain net income (from Part IV, line 2)		121,525.		
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/(loss) (att sch)				
11 Other income (attach schedule) See Statement 1	67,000.			
12 Total. Add lines 1 through 11	475,226.	396,614.	0.	
13 Compensation of officers, directors, trustees, etc	0.			
14 Other employee salaries and wages	36,760.			36,760.
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach sch) See St 2	9,971.			
c Other prof fees (attach sch) See St 3	6,149.			6,149.
17 Interest				
18 Taxes (attach schedule) See Stm 4	10,815.	5,331.		3,484.
19 Depreciation (attach sch) and depletion	6,742.			
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) See Statement 5	158,412.	37,928.		120,195.
24 Total operating and administrative expenses. Add lines 13 through 23	228,849.	43,259.		166,588.
25 Contributions, gifts, grants paid Part XV	56,025.			56,025.
26 Total expenses and disbursements. Add lines 24 and 25	284,874.	43,259.	0.	222,613.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	190,352.			
b Net investment income (if negative, enter -0-)		353,355.		
c Adjusted net income (if negative, enter -0-)			0.	

SCANNED AUG 21 2012
REVENUE

ADMINISTRATIVE AND OPERATING EXPENSES

RECEIVED
AUG 16 2012
CASH ON HAND

118

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)			Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value			
ASSETS	1	Cash — non-interest-bearing					
	2	Savings and temporary cash investments	281,280.	399,298.	399,298.		
	3	Accounts receivable					
		Less: allowance for doubtful accounts					
	4	Pledges receivable					
		Less: allowance for doubtful accounts					
	5	Grants receivable					
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)					
	7	Other notes and loans receivable (attach sch)					
		Less: allowance for doubtful accounts					
	8	Inventories for sale or use					
	9	Prepaid expenses and deferred charges					
	10a	Investments — U.S. and state government obligations (attach schedule)	865,931.				
	b	Investments — corporate stock (attach schedule)	4,276,869.	4,372,117.	4,882,707.		
	c	Investments — corporate bonds (attach schedule)	1,421,699.	1,215,617.	1,289,351.		
	LIABILITIES	11	Investments — land, buildings, and equipment: basis				
		Less: accumulated depreciation (attach schedule)					
12		Investments — mortgage loans					
13		Investments — other (attach schedule)	851,576.	1,851,597.	1,779,822.		
14		Land, buildings, and equipment: basis	86,113.				
		Less: accumulated depreciation (attach schedule) See Stmt 6	15,358.	21,677.	70,755.	59,336.	
15		Other assets (describe)					
16		Total assets (to be completed by all filers — see the instructions. Also, see page 1, item I)	7,719,032.	7,909,384.	8,410,514.		
17		Accounts payable and accrued expenses					
18		Grants payable					
NEUTRAL ASSETS	19	Deferred revenue					
	20	Loans from officers, directors, trustees, & other disqualified persons					
	21	Mortgages and other notes payable (attach schedule)					
	22	Other liabilities (describe)					
	23	Total liabilities (add lines 17 through 22)	0.	0.			
FUND BALANCES	Foundations that follow SFAS 117, check here 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 and complete lines 27 through 31.						
	27	Capital stock, trust principal, or current funds	7,909,000.	7,909,000.			
	28	Paid-in or capital surplus, or land, building, and equipment fund					
	29	Retained earnings, accumulated income, endowment, or other funds	-189,968.	384.			
30	Total net assets or fund balances (see instructions)	7,719,032.	7,909,384.				
31	Total liabilities and net assets/fund balances (see instructions)	7,719,032.	7,909,384.				

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	7,719,032.
2	Enter amount from Part I, line 27a	2	190,352.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	7,909,384.
5	Decreases not included in line 2 (itemize)	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	7,909,384.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)

(b) How acquired
P — Purchase
D — Donation(c) Date acquired
(month, day, year)(d) Date sold
(month, day, year)**1a Publicly Traded Securities**

P

Various

Various

b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 2,130,198.		2,008,673.	121,525.
b			
c			
d			
e			

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

(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a			121,525.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)

☐ If gain, also enter in Part I, line 7
☐ If (loss), enter -0- in Part I, line 7

2

121,525.

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)

☐ If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0-
☐ in Part I, line 8

3

0.

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

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

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

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

☐ Yes☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2010	772,782.	8,129,660.	0.095057
2009	625,919.	6,988,339.	0.089566
2008	675,715.	8,638,498.	0.078221
2007	673,239.	9,643,837.	0.069810
2006	664,970.	9,231,388.	0.072034

2 Total of line 1, column (d)

2

0.404688

3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years

3

0.080938

4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5

4

8,817,049.

5 Multiply line 4 by line 3

5

713,634.

6 Enter 1% of net investment income (1% of Part I, line 27b)

6

3,534.

7 Add lines 5 and 6

7

717,168.

8 Enter qualifying distributions from Part XII, line 4

8

266,821.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

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

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary – see instrs)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	7,067.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	7,067.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	7,067.
6 Credits/Payments:			
a 2011 estimated tax pmts and 2010 overpayment credited to 2011	6a	5,363.	
b Exempt foreign organizations – tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	2,000.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	7,363.	
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	0.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	296.	
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax 296. Refunded	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?		X
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		
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
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? 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, column (c), and Part XV	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) CA		
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 <u>N/A</u>	13	X	
14	The books are in care of <u>Robert J. Gallo</u> Telephone no. <u>(209) 341-3142</u> Located at <u>600 Yosemite Blvd. Modesto CA</u> ZIP + 4 <u>95354</u>			
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	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	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	1b	N/A
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? If 'Yes,' list the years <u>20__ , 20__ , 20__ , 20__</u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see instructions.)	2b	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. <u>20__ , 20__ , 20__ , 20__</u>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If 'Yes,' did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.)	3b	N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b	X

BAA

Form 990-PF (2011)

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)

☐ Yes ☒ No

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

☐ Yes ☒ No**b** If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?**5b**

N/A

Organizations relying on a current notice regarding disaster assistance check here

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

X

If 'Yes' to 6b, file Form 8870

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

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 (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 7		0.	0.	0.

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

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

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

0

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
None		
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 Preservation of the wildlife habitat on the San Joaquin Federal Wildlife Reserve in the San Joaquin Valley of California.	166,588.
2 Provide grants to religious, charitable, educational, arts, and community organization to help provide for the betterment of the lives of the residents of Stanislaus County, CA and the surrounding areas.	44,525.
3 Provide for the advancement of the Roman Catholic Church and Catholic education in the United States by making grants to further the schools and programs of the Catholic Church, particularly in Stanislaus County	11,500.
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	0.

BAA

Form 990-PF (2011)

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	7,045,119.
b Average of monthly cash balances	1b	430,866.
c Fair market value of all other assets (see instructions)	1c	1,475,334.
d Total (add lines 1a, b, and c)	1d	8,951,319.
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	8,951,319.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	134,270.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	8,817,049.
6 Minimum investment return. Enter 5% of line 5	6	440,852.

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	440,852.
2a Tax on investment income for 2011 from Part VI, line 5	2a	7,067.
b Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	7,067.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	433,785.
4 Recoveries of amounts treated as qualifying distributions	4	64,000.
5 Add lines 3 and 4	5	497,785.
6 Deduction from distributable amount (see instructions)	6	
7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	497,785.

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	222,613.
b Program-related investments — total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	44,208.
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	266,821.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	266,821.

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				497,785.
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only			0.	
b Total for prior years: 20__, 20__, 20__		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009	180,709.			
e From 2010	84,032.			
f Total of lines 3a through e	264,741.			
4 Qualifying distributions for 2011 from Part XII, line 4: \$ 266,821.				
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				266,821.
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).)	230,964.			230,964.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	33,777.			
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 instructions			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	33,777.			
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010	33,777.			
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)					
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	Tax year	Prior 3 years			(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
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 organization 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).)
See Statement 8
- 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:

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

c Any submission deadlines.

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

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 Schedule Attached			Schedule Attached	56,025.
Total			3a	56,025.
b Approved for future payment				
Total			3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
		(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1	Program service revenue:					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments			14	95.	
4	Dividends and interest from securities			14	274,994.	
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					
8	Gain or (loss) from sales of assets other than inventory			1	121,525.	
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue:					
a	Federal Tax Refund				3,000.	
b	Program Reimbursement					59,000.
c	Return of contribution					5,000.
d						
e						
12	Subtotal. Add columns (b), (d), and (e)				399,614.	64,000.
13	Total. Add line 12, columns (b), (d), and (e)				13	463,614.

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

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

[illegible]

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

► **Attach to Form 990, Form 990-EZ, or Form 990-PF**

OMB No 1545-0047

2011

Name of the organization

Bob & Marie Gallo Foundation

Employer identification number

91-2048972

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

- ☐ 501(c)(____) (enter number) organization
☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
☐ 527 political organization

Form 990-PF

- ☒ 501(c)(3) exempt private foundation
☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ► \$ _____

Caution: An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF) but it **must** answer 'No' on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on Part I, line 2, of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

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

Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

Name of organization

Employer identification number

Bob & Marie Gallo Foundation

91-2048972

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Robert J Gallo 1716 Maze Blvd Modesto, CA 95358	\$ 11,612	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Name of organization

Bob & Marie Gallo Foundation

Employer identification number

91-2048972

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
	N/A		
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

BAA

Name of organization

Bob & Marie Gallo Foundation

Employer identification number

91-2048972

Part III**Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10)****organizations that total more than \$1,000 for the year.** Complete cols (a) through (e) and the following line entryFor organizations completing Part III, enter total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year (Enter this information once. See instructions.)

► \$ N/A

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

Statement 1
Form 990-PF, Part I, Line 11
Other Income

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
Federal Tax Refund	\$ 3,000.		
Program Reimbursement	59,000.		
Return of contribution	5,000.		
Total	\$ 67,000.	\$ 0.	\$ 0.

Statement 2
Form 990-PF, Part I, Line 16b
Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Accounting & bookkeeping	\$ 9,971.			
Total	\$ 9,971.	\$ 0.	\$ 0.	\$ 0.

Statement 3
Form 990-PF, Part I, Line 16c
Other Professional Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Wildlife & habitat consulting	\$ 6,149.			\$ 6,149.
Total	\$ 6,149.	\$ 0.	\$ 0.	\$ 6,149.

Statement 4
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Federal excise tax	\$ 2,000.			
Foreign taxes on investment income	5,331.	\$ 5,331.		
Payroll taxes	3,484.			\$ 3,484.
Total	\$ 10,815.	\$ 5,331.	\$ 0.	\$ 3,484.

Statement 5
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Filing & registration fees	\$ 265.			\$ 18.
Habitat restoration labor	22,450.			22,450.
Habitat restoration seeds/plants	5,054.			5,054.
Habitat restoration supplies	36,349.			36,349.
Insurance	1,871.			1,871.
Investment fees	37,928.	\$ 37,928.		
Medical/Dental/Life Insurance	9,225.			9,225.
Office/Clerical Expense	42.			
Rental Expenses	1,345.			1,345.
Repair & Maintenance	18,760.			18,760.
Supplies	2,217.			2,217.
Utilities	21,772.			21,772.
Workers comp insurance	1,134.			1,134.
Total	\$ 158,412.	\$ 37,928.	\$ 0.	\$ 120,195.

Statement 6
Form 990-PF, Part II, Line 14
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value	Fair Market Value
Auto./Transportation Equip.	\$ 6,500.	\$ 3,575.	\$ 2,925.	\$ 2,925.
Machinery and Equipment	73,100.	9,993.	63,107.	51,688.
Improvements	6,513.	1,790.	4,723.	4,723.
Total	\$ 86,113.	\$ 15,358.	\$ 70,755.	\$ 59,336.

Statement 7
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
Robert J. Gallo P.O. Box 1130 Modesto, CA 95353	CEO 2.00	\$ 0.	\$ 0.	\$ 0.
Marie D. Gallo P.O. Box 1130 Modesto, CA 95353	Director 0	0.	0.	0.
Richard M. Beal P.O. Box 1130 Modesto, CA 95353	Secretary 0	0.	0.	0.

Bob & Marie Gallo Foundation

91-2048972

Statement 7 (continued)
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
Julie G. Vander Wall P.O. Box 1130 Modesto, CA 95353	Director 0	\$ 0.	\$ 0.	\$ 0.
John R. Gallo P.O. Box 1130 Modesto, CA 95353	CFO 0	0.	0.	0.
Matthew J. Gallo P.O. Box 1130 Modesto, CA 95353	Director 0	0.	0.	0.
Thomas J. Gallo P.O. Box 1130 Modesto, CA 95353	Director 0	0.	0.	0.
Gina M. Gallo P.O. Box 1130 Modesto, CA 95353	Director 0	0.	0.	0.
Amy M. Gallo-Ballatore P.O. Box 1130 Modesto, CA 95353	Director 0	0.	0.	0.
Mary E. Gallo P.O. Box 1130 Modesto, CA 95353	Director 0	0.	0.	0.
Total		\$ 0.	\$ 0.	\$ 0.

Statement 8
Form 990-PF, Part XV, Line 1a
Foundation Managers - 2% or More Contributors

Robert J. Gallo
 Marie D. Gallo

BOB AND MARIE GALLO FOUNDATION

POST OFFICE BOX 1130, MODESTO, CA 95353

FISCAL YEAR ENDING: DECEMBER 31, 2011

TID: 91-2048972

**FORM 990-PF, PART XV, LINE 3 (a)
GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR**

*All contributions made during the year were for general use in carrying out charitable, religious and educational activities.

RECIPIENT	ADDRESS	AMOUNT
Community Hospice Foundation of Stanislaus County	4368 Spyres Way, Modesto, CA 95356	1,000
Daughters of Charity Foundation	2131 West Third Street, Los Angeles, CA 90057	1,000
Ducks Unlimited, Inc. - Western Regional Office	3074 Gold Canal Drive, Rancho Cordova, CA 95670-6116	20,000
Diabetic Youth Foundation	5167 Clayton Road, Suite F, Concord, CA 94521	1,000
Fresno Regional Foundation	5350 North Palm Avenue, Suite 424, Fresno, CA 93704	250
Juvenile Diabetes Research Foundation, Northern California Chapter	1333 Howe Avenue, Suite 113, Sacramento, CA 95825	2,000
Modesto Union Gospel Mission	Post Office Box 1203, Modesto, CA 95353	1,000
Redwood Gospel Mission	Post Office Box 493, Santa Rosa, CA 95402	1,000
Society of St. Vincent de Paul of Sonoma County	Post Office Box 1095, Rohnert Park, CA 94927	500
St. Vincent Senior Citizen Nutrition Program, Inc.	2131 West Third Street, Los Angeles, CA 90057	500
The Saint Padre Pio Shelter Corporation	427 East 55th Street, Bronx, NY 10455	500
The Salvation Army, Modesto Citadel Corps	Post Office Box 1663, Modesto, CA 95353	1,000
TOTAL CHARITABLE CONTRIBUTIONS		29,750

RELIGIOUS CONTRIBUTIONS

Franciscan Renewal Ministries	420 East 56th Street, Bronx, NY 10455	1,250
Sisters of the Cross of the Sacred Heart of Jesus	1320 Maze Boulevard, Modesto, CA 95351	4,250
St. Stanislaus Catholic Church	709 J Street, Modesto, CA 95354	6,000
TOTAL RELIGIOUS CONTRIBUTIONS		11,500

EDUCATIONAL CONTRIBUTIONS

Central Catholic High School Foundation	200 South Carpenter Road, Modesto, CA 95351	1,500
Modesto High School	18 H Street, Modesto, CA 95354	775
Notre Dame de Namur University	1500 Ralston Avenue, Belmont, CA 94002	2,500
Santa Clara University	500 El Camino Real, Santa Clara, CA 95053	1,000
St. John the Baptist Catholic School	217 Fitch Street, Healdsburg, CA 95448	5,000
St. Stanislaus Catholic School	1416 Maze Boulevard, Modesto, CA 95351	1,000
University of San Francisco	2130 Fulton Street, San Francisco, CA 94117	500
Washington University in St. Louis	7425 Forsyth Boulevard, Suite 2300, Saint Louis, MO 63105	2,500
TOTAL EDUCATIONAL CONTRIBUTIONS		14,775

2011 TOTAL GRANTS AND CONTRIBUTIONS	56,025
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BOB & MARIE GALLO FOUNDATION			
91-2048972			
DECEMBER 31, 2011			
FORM 990-PF, PART II, LINE 10(b), INVESTMENTS - CORPORATE STOCK			
NAME OF STOCK	SHARES	COST	FMV
ABBOTT LAB	420	16,071	23,617
ADR NOVARTIS AG	550	29,140	31,444
ALTERA CORP	550	8,326	20,405
AMAZON COM INC	220	26,788	38,082
AMERICAN EXPRESS CO	900	42,912	42,453
APPLE INC	235	29,456	95,175
AUTODESK INC	550	23,405	16,682
BHP BILLITON LTD	400	22,495	28,252
BRISTOL MEYERS SQUIBB CO	1,375	40,307	48,455
CHERVON CORP	570	40,460	60,648
CITRIX SYS INC	575	35,234	34,914
COCA COLA CO	745	51,578	52,128
CONOCOPHILLIPS COM	395	24,227	28,784
COSTCO WHOLESALE CORP	520	34,279	43,326
COVIDIEN PLC USD	575	28,900	25,881
DANAHER CORP	1,260	25,605	59,270
DOMINION RES INC VA NEW COM	750	33,323	39,810
DU PONT E I DE NEMOURS & CO	990	38,284	45,322
EATON CORP	700	38,143	30,471
EMC CORP COM	1,925	36,438	41,464
EXXON MOBILE CORP	905	35,121	76,708
FRANKLIN RES INC COM	350	37,575	33,621
GENERAL ELECTRIC	2,055	32,024	36,805
GOOGLE INC	80	32,828	51,672
GRAINGER WW INC	170	20,619	31,822
INTERNATIONAL BUSINESS MACHINES CORP	380	33,316	69,874
J P MORGAN CHASE & CO	1,310	38,160	43,557
JOHNSON & JOHNSON	300	15,635	19,674
JOHNSON CONTROLS INC	870	22,324	27,196
KELLOGG CO	575	28,921	29,078
MCDONALDS CORP	350	30,248	35,116
MCKESSON CORP	580	34,566	45,188
MFB NORTHERN EMERGING MARKETS EQUITY FUND	59,885	547,933	612,030
MFB NORTHERN FUNDS INTL EQUITY FUND	87,786	661,292	622,399
MFB NORTHERN INTL EQUITY INDEX FUND	77,057	733,791	688,121
MFB NORTHERN MID CAP INDEX FUND	24,994	218,085	290,182
MFB NORTHERN MULTI-MANAGER SMALL CAP FUND	33,896	313,024	296,926
MFO DFA INVT DIMENSIONS GROUP	15,510	181,000	166,886
NATIONAL OILWELL VARCO	560	34,435	38,074
NIKE INC CL B	265	16,623	25,538
NOBLE ENERGY INC	265	14,340	25,013
NORFOLK SOUTHERN CORP	565	38,457	41,166
OMNICON GROUP INC	460	20,891	20,507
ORACLE CORP	1,725	47,748	44,246
PRECISION CASTPARTS CORP	130	22,624	21,423
PRINCIPAL FINL GROUP INC COM STK	1,250	31,095	30,750
PROCTOR & GAMBLE CO	705	34,246	47,031
QUALCOMM INC	875	45,040	47,862
SALESFORCE COM INC COM STK	310	29,693	31,453
SCHLUMBERGER LTD	415	37,459	28,349
SIMON PROPERTY GROUP	390	36,795	50,287
SPECTRA ENERGY CORP	1,895	29,935	58,271
TJX COMPANIES INC	820	27,532	52,931
TRAVELERS COMPANIES INC	400	21,182	23,668
UNITED TECHNOLOGIES CORP	345	14,801	25,216
UNITEDHEALTH GROUP INC	960	31,645	48,653
US BANCORP	780	19,574	21,099
V F CORP	400	41,154	50,796
VERIZON COMMUNICATIONS	600	22,062	24,072
WAL-MART STORES INC	405	19,917	24,203
WALT DISNEY CO	740	24,690	27,750
WELLS FARGO & CO	1,645	38,427	45,336
WHOLE FOODS	655	29,919	45,575
		4,372,117	4,882,707

BOB & MARIE GALLO FOUNDATION
91-2048972
December 31 2011

FORM 990-PF, PART II, LINE 10(c), INVESTMENTS - CORPORATE BONDS

<u>CORPORATE BONDS</u>	<u>COST</u>	<u>CURRENT FMV</u> <u>12/31/2011</u>
MFB NORTHERN HIGH YIELD FIXED INC FD	574,531	603,093
MFB NORTHERN FDS BD INDEX FUND	487,735	511,243
MFO VANGUARD INFLATION PROTECTED	153,351	175,015
	<u>1,215,617</u>	<u>1,289,351</u>

BOB & MARIE GALLO FOUNDATION**91-2048972****December 31 2011****FORM 990-PF, PART II, LINE 13, OTHER INVESTMENTS**

OTHER INVESTMENTS	COST	CURRENT FMV 12/31/2011
MFB NORTHERN FDS GLOBAL REAL ESTATE	362,585	276,293
MFC SPDR GOLD TR GOLD SHARES	250,685	358,696
MFO PIMCO FDS PAC INVT MGMT SERVICE	238,327	203,010
AURORA OFFSHORE LTD II	1,000,000	941,823
	<u>1,851,597</u>	<u>1,779,822</u>