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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

, 2011, and ending

, 20

Name of foundation CHILES FOUNDATION		A Employer identification number 93-6031125						
Number and street (or P O box number if mail is not delivered to street address) 111 S.W. FIFTH AVENUE, SUITE 4050		B Telephone number (see instructions) (503) 222-2143						
City or town, state, and ZIP code PORTLAND, OR 97204		C If exemption application is pending, check here <input type="checkbox"/>						
G Check all that apply. <table border="1"> <tr> <td><input type="checkbox"/> Initial return</td> <td><input type="checkbox"/> Initial return of a former public charity</td> </tr> <tr> <td><input type="checkbox"/> Final return</td> <td><input type="checkbox"/> Amended return</td> </tr> <tr> <td><input type="checkbox"/> Address change</td> <td><input type="checkbox"/> Name change</td> </tr> </table>		<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity	<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return	<input type="checkbox"/> Address change	<input type="checkbox"/> Name change	D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
<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							
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>						
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 4,174,585.		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>						
J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> 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)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	49,585.	49,585.		
	4 Dividends and interest from securities	51,239.	51,239.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	268,524.			
	b Gross sales price for all assets on line 6a 11,282,274.				
	7 Capital gain net income (from Part IV, line 2)		268,524.		
	8 Net short-term capital gain				
	9 Income modifications				
	10 a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less: Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)				
	12 Total. Add lines 1 through 11	369,348.	369,348.		
	13 Compensation of officers, directors, trustees, etc.	184,455.	103,295.		81,160.
	14 Other employee salaries and wages	97,923.	54,837.		43,086.
	15 Pension plans, employee benefits	79,257.	18,229.		61,028.
	16a Legal fees (attach schedule) ATCH 1	1,095.	307.		788.
	b Accounting fees (attach schedule) ATCH 2	16,346.	4,577.		11,769.
	c Other professional fees (attach schedule) *	47,692.	47,692.		
	17 Interest	78.			
	18 Taxes (attach schedule) (see instructions) **	975.	399.		
	19 Depreciation (attach schedule) and depletion	5,533.	1,273.		
	20 Occupancy	71,307.	16,401.		54,906.
	21 Travel, conferences, and meetings	10,011.	3,504.		6,507.
	22 Printing and publications				
	23 Other expenses (attach schedule) ATCH 5	71,509.	13,725.		57,781.
	24 Total operating and administrative expenses. Add lines 13 through 23	586,181.	264,239.		317,025.
	25 Contributions, gifts, grants paid	2,863,673.			736,400.
	26 Total expenses and disbursements. Add lines 24 and 25	3,449,854.	264,239.	0	1,053,425.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-3,080,506.			
	b Net investment income (if negative, enter -0-)		105,109.		
	c Adjusted net income (if negative, enter -0-)				

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	500.	500.	500.
	2 Savings and temporary cash investments	665,782.	360,037.	360,037.
	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 schedule) ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	22,217.	21,123.	21,123.
	10 a Investments - U.S. and state government obligations (attach schedule)			
	b Investments - corporate stock (attach schedule) <u>ATCH 6</u>	4,841,215.	3,731,161.	3,731,161.
	c Investments - corporate bonds (attach schedule)			
	11 Investments - land, buildings, and equipment basis ▶ <u>ATCH 7</u> 346,131.			
Less: accumulated depreciation (attach schedule) ▶ 284,367.	62,326.	61,764.	61,764.	
12 Investments - mortgage loans				
13 Investments - other (attach schedule)				
14 Land, buildings, and equipment basis ▶				
Less: accumulated depreciation (attach schedule) ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	5,592,040.	4,174,585.	4,174,585.	
Liabilities	17 Accounts payable and accrued expenses	15,515.	9,587.	
	18 Grants payable	2,185,045.	4,272,273.	
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	2,200,560.	4,281,860.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> X and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted	3,016,652.	-482,103.	
	25 Temporarily restricted	374,828.	374,828.	
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see instructions)	3,391,480.	-107,275.	
	31 Total liabilities and net assets/fund balances (see instructions)	5,592,040.	4,174,585.	

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	3,391,480.
2 Enter amount from Part I, line 27a	2	-3,080,506.
3 Other increases not included in line 2 (itemize) ▶ <u>ATTACHMENT 8</u>	3	-418,249.
4 Add lines 1, 2, and 3	4	-107,275.
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	-107,275.

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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 SEE PART IV SCHEDULE					
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					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(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			
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)			2	268,524.	
If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7					
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):			3	0	
If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8					

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

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

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

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

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	1,256,429.	5,465,985.	0.229863
2009	1,159,199.	5,902,257.	0.196399
2008	1,329,069.	9,083,590.	0.146315
2007	1,634,777.	12,323,670.	0.132653
2006	1,824,139.	13,193,060.	0.138265
2 Total of line 1, column (d)			2 0.843495
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 0.168699
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5			4 4,752,864.
5 Multiply line 4 by line 3			5 801,803.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 1,051.
7 Add lines 5 and 6			7 802,854.
8 Enter qualifying distributions from Part XII, line 4			8 1,053,425.

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)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b.		1	1,051.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	
3 Add lines 1 and 2.		3	1,051.
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	1,051.
6 Credits/Payments:			
a 2011 estimated tax payments and 2010 overpayment credited to 2011.	6a		
b Exempt foreign organizations - tax withheld at source.	6b		
c Tax paid with application for extension of time to file (Form 8868).	6c		
d Backup withholding erroneously withheld.	6d		
7 Total credits and payments. Add lines 6a through 6d.	7		0
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached.	8		25.
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed.	9		1,076.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid.	10		
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax <input type="checkbox"/> 0 Refunded <input checked="" type="checkbox"/> 11	11		

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 page 19 of the 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"/> \$ _____ (2) On foundation managers. <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ _____		
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"/> OR,		
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

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)			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)			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?		X	
Website address N/A				
14	The books are in care of KRISTI RICHARDS	Telephone no.	503-222-2143	
	Located at 111 S.W. FIFTH AVENUE, SUITE 4050 PORTLAND, OR	ZIP + 4	97204	
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here			
	and enter the amount of tax-exempt interest received or accrued during the year		15	
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?		Yes	No
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country			X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.**

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input checked="" type="checkbox"/> Yes	<input 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)?		X
Organizations relying on a current notice regarding disaster assistance check here		
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?		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.)		
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)		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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?		X

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

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

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? ☐ Yes ☒ No**5b**Organizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No

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

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

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? ☐ Yes ☒ No**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
ATTACHMENT 9		184,455.	31,231.	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 ☐

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

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 NOT APPLICABLE	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NOT APPLICABLE	
2	
All other program-related investments. See instructions.	
3 NONE	
Total. Add lines 1 through 3 ▶	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	4,682,794.
b	Average of monthly cash balances	1b	59,562.
c	Fair market value of all other assets (see instructions)	1c	82,887.
d	Total (add lines 1a, b, and c)	1d	4,825,243.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	4,825,243.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	72,379.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,752,864.
6	Minimum investment return. Enter 5% of line 5	6	237,643.

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	237,643.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	1,051.
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,051.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	236,592.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	236,592.
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	236,592.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	1,053,425.
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,053,425.
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	1,051.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,052,374.

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				236,592.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only				
b Total for prior years 20 09 20 08 20 07				
3 Excess distributions carryover, if any, to 2011:				
a From 2006 1,197,745.				
b From 2007 1,029,094.				
c From 2008 874,889.				
d From 2009 864,086.				
e From 2010 989,734.				
f Total of lines 3a through e	4,955,548.			
4 Qualifying distributions for 2011 from Part XII, line 4. ► \$ 1,053,425.				
a Applied to 2010, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2011 distributable amount				236,592.
e Remaining amount distributed out of corpus	816,833.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:	5,772,381.			
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount - see instructions				
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instructions				
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	1,197,745.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	4,574,636.			
10 Analysis of line 9:				
a Excess from 2007 1,029,094.				
b Excess from 2008 874,889.				
c Excess from 2009 864,086.				
d Excess from 2010 989,734.				
e Excess from 2011 816,833.				

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

NOT APPLICABLE

1a 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)

2a 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)(ii)					
(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.

ATTACHMENT 10

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

ATTACHMENT 10

c Any submission deadlines.

ATTACHMENT 10

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

ATTACHMENT 10

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 ATTACHMENT 11				736,400.
Total			▶ 3a	736,400.
b Approved for future payment ATTACHMENT 12				4,321,000.
Total			▶ 3b	4,321,000.

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) Exclusion 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	49,585.		
4 Dividends and interest from securities			14	51,239.		
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			18	268,524.		
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)				369,348.		
13 Total. Add line 12, columns (b), (d), and (e)				13		369,348.

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

SCHEDULE D
(Form 1041)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

► Attach to Form 1041, Form 5227, or Form 990-T. See the Instructions for
Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).

OMB No 1545-0092

2011

Name of estate or trust

CHILES FOUNDATION

Employer identification number

93-6031125

Note: Form 5227 filers need to complete **only Parts I and II**

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	75,343.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2010 Capital Loss Carryover Worksheet	4	()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back	5	75,343.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	193,181.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2010 Capital Loss Carryover Worksheet	11	()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back	12	193,181.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2011

Part III Summary of Parts I and II**Caution: Read the instructions before completing this part.**

		(1) Beneficiaries' (see instr)	(2) Estate's or trust's	(3) Total
13	Net short-term gain or (loss)	13		75,343.
14	Net long-term gain or (loss):			
a	Total for year	14a		193,181.
b	Unrecaptured section 1250 gain (see line 18 of the wrkst.)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14a ▶	15		268,524.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation

16	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of:	16	
a	The loss on line 15, column (3) or b \$3,000		

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** in the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the **Schedule D Tax Worksheet** the instructions if:

- Either line 14b, col. (2) or line 14c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

Form 990-T trusts. Complete this part only if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if either line 14b, col. (2) or line 14c, col. (2) is more than zero.

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17	
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero	18	
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19	
20	Add lines 18 and 19	20	
21	If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- ▶	21	
22	Subtract line 21 from line 20. If zero or less, enter -0-	22	
23	Subtract line 22 from line 17. If zero or less, enter -0-	23	
24	Enter the smaller of the amount on line 17 or \$2,300	24	
25	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26; go to line 27 and check the "No" box. <input type="checkbox"/> No. Enter the amount from line 23	25	
26	Subtract line 25 from line 24	26	
27	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22	27	
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)	28	
29	Subtract line 28 from line 27	29	
30	Multiply line 29 by 15% (.15)	30	
31	Figure the tax on the amount on line 23. Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	31	
32	Add lines 30 and 31	32	
33	Figure the tax on the amount on line 17. Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	33	
34	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	34	

Schedule D (Form 1041) 2011

**Continuation Sheet for Schedule D
(Form 1041)**

OMB No. 1545-0092

2011

► See instructions for Schedule D (Form 1041).

▶ Attach to Schedule D to list additional transactions for lines 1a and 6a.

Name of estate or trust

CHILES FOUNDATION

Employer identification number

93-6031125

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

[illegible]

1b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 1b 75,343.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D-1 (Form 1041) 2011

Employer identification number

[illegible]

6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b	193,181.
--	----------

JSA

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
6,717,634.		STATE STREET SHORT TERM PROPERTY TYPE: SECURITIES 6,592,514.				P	VAR 125,120.	VAR
991,761.		STATE STREET LONG TERM PROPERTY TYPE: SECURITIES 842,530.				P	VAR 149,231.	VAR
28,576.		UBS SHORT TERM PROPERTY TYPE: SECURITIES 25,453.				P	VAR 3,123.	VAR
239,829.		UBS LONG TERM PROPERTY TYPE: SECURITIES 231,900.				P	VAR 7,929.	VAR
2,603,448.		ATLAS ONE SHORT TERM 2,653,378.					VAR -49,930.	VAR
161,048.		ATLAS ONE LONG TERM PROPERTY TYPE: SECURITIES 124,925.				P	VAR 36,123.	VAR
535,090.		ATLAS ONE NEW SHORT TERM PROPERTY TYPE: SECURITIES 538,060.				P	VAR -2,970.	VAR
4,786.		ATLAS ONE NEW LONG TERM PROPERTY TYPE: SECURITIES 4,888.				P	VAR -102.	VAR
TOTAL GAIN (LOSS)							<u>268,524.</u>	

ATTACHMENT 1

FORM 990PF, PART I - LEGAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
LEGAL FEES	1,095.	307.		788.
TOTALS	<u>1,095.</u>	<u>307.</u>		<u>788.</u>

ATTACHMENT 2

FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
PRICEWATERHOUSECOOPERS, LLP	16,346.	4,577.		11,769.
TOTALS	<u>16,346.</u>	<u>4,577.</u>		<u>11,769.</u>

ATTACHMENT 3FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
ATLAS ONE FINANCIAL GROUP, LLC	60.	60.
UBS FINANCIAL SERVICES, INC.	3,735.	3,735.
MONARCH PTNRS ASSET MGMT LLC	39,225.	39,225.
STATE STREET CORPORATION	4,672.	4,672.
TOTALS	<u>47,692.</u>	<u>47,692.</u>

ATTACHMENT 4

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
FEDERAL TAXES	102.	
STATE TAXES	474.	
INVESTMENT TAXES	399.	399.
TOTALS	<u>975.</u>	<u>399.</u>

ATTACHMENT 5FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
OFFICE SUPPLIES	11,490.	2,643.	8,847.
TELEPHONE AND POSTAGE	9,257.	2,129.	7,128.
DUES AND SUBSCRIPTIONS	6,183.	4,328.	1,855.
REPAIRS AND MAINTENANCE	8,163.	1,877.	6,285.
INSURANCE	10,016.		10,016.
AUTO AND PARKING	10,266.	2,361.	7,905.
MISCELLANEOUS OTHER EXPENSES	16,134.	387.	15,745.
TOTALS	<u>71,509.</u>	<u>13,725.</u>	<u>57,781.</u>

FORM 990PF, PART II - INVESTMENTS - CORPORATE STOCK

	12/31/2011	
	Cost	FMV
Total Equities - Common Stock		
Atlas One	257,158	257,158
Monarch	2,544,397	2,664,038
UBS	151,260	158,348
Total Equities	<u>2,952,815</u>	<u>3,079,544</u>
Total Convertible Stock		
Atlas One	-	-
Monarch	-	-
UBS	-	-
Total Mutual Funds	<u>-</u>	<u>-</u>
Total Mutual Funds		
Atlas One	-	-
Monarch	-	-
UBS	32,656	34,433
Total Mutual Funds	<u>32,656</u>	<u>34,433</u>
Total Fixed Income		
Atlas One	594,423	594,423
Monarch	-	-
UBS	21,488	21,408
Total Fixed Income	<u>615,911</u>	<u>615,831</u>
Total Dividend & Interest Receivable		
Atlas One	-	-
Monarch	1,114	1,114
UBS	239	239
Total Fixed Income	<u>1,353</u>	<u>1,353</u>
	<u>3,602,735</u>	<u>3,731,161</u>

- 1) Monarch Financial Management
- 2) Atlas One Financial Group, LLC
- 3) UBS Financial Services

ATTACHMENT 6.1
ATTACHMENT 6.2
ATTACHMENT 6.3

FORM 990PF, PART II - INVESTMENTS - CORPORATE STOCK
MONARCH FINANCIAL MANAGEMENT

Security	CUSIP	No of Shares	Cost per Share	Total Cost	Price at 12/31/2011	Total value 12/31/2011
Common Stock						
Alterra Capital Holdings LTD	G0229R108	1,000	22.05	22,053	23 63	23,630
American Safety INS Holdings	G02995101	1,700	20 26	34,439	21 75	36,975
XL Group PLC	G98290102	3,400	20.45	69,525	19 77	67,218
Aegion Corp	00770F104	1,800	15.85	28,529	15.34	27,612
Affiliated Managers Group	008252108	555	92 24	51,191	95.95	53,252
Altra Holdings Inc	02208R106	2,900	15.13	43,876	18 83	54,607
American Eagle Outfitters	02553E106	2,100	13 79	28,966	15.29	32,109
Ascena Retail Group	04351G101	950	30 55	29,024	29 72	28,234
Avis Budget Group Inc	053774105	3,300	15 20	50,148	10 72	35,376
C&J Energy Services Inc	124678304	1,100	25.80	28,383	20 93	23,023
Cboe Holdings Inc	12503M108	1,500	22 66	33,990	25 86	38,790
Cleco Corporation	12561W105	1,400	34 90	48,864	38 10	53,340
CMS Energy Corp	125896100	1,300	20 06	26,074	22 08	28,704
Centerpoint Energy Inc	15189T107	3,100	14 46	44,821	20.09	62,279
Charming Shoppes	161133103	9,764	4 33	42,248	4 90	47,844
Cinemark Holdings Inc	17243V102	1,600	19 63	31,409	18 49	29,584
Cloud Peak Energy Inc	18911Q102	1,700	20 04	34,066	19 32	32,844
Colonial Properties Trust	195872106	1,500	20.32	30,474	20 86	31,290
Cooper Cos Inc	216648402	950	73.05	69,396	70 52	66,994
Dana Holding Corp	235825205	2,700	13.87	37,440	12 15	32,805
Davita Inc	23918K108	600	67.25	40,348	75.81	45,486
Dupont Fabros Technology	26613Q106	1,700	21 45	36,465	24 22	41,174
East West Bancorp Inc	27579R104	1,400	16 90	23,660	19 75	27,650
Education Realty Trust Inc	28140H104	5,700	6.35	36,197	10 23	58,311
El Paso Electric Co	283677854	700	30 34	21,238	34 64	24,248
Enpro Industries Inc	29355X107	1,000	34 63	34,631	32 98	32,980
Evercore Partners Inc Cl A	29977A105	2,900	25 17	72,999	26 62	77,198
Fly Leasing LTD ADR	34407D109	3,200	14.04	44,934	12 52	40,064
GP Strategies Corp	36225V104	2,200	12 69	27,913	13 48	29,656
G III Apparel Group LTD	36237H101	800	24 37	19,498	24 91	19,928
Gaylord Entertainment Co	367905106	2,600	21 32	55,427	24 14	62,764
Graham Corp	384556106	1,170	19.14	22,398	22 44	26,255
Graphic Packaging Holding Co	388689101	9,500	3 79	36,023	4 26	40,470
Han Celestial Group Inc	405217100	1,400	22 18	31,049	36 66	51,324
Home Properties Inc	437306103	400	56 45	22,581	57.57	23,028
Huntsman Corp	447011107	4,000	11 57	46,298	10 00	40,000
IAC/Interactivecorp	44919P508	1,000	40 82	40,825	42 60	42,600
Interpublic Group of Cos Inc	460690100	2,900	11 73	34,024	9.73	28,217
Kansas City Southern	485170302	500	55 80	27,902	68 01	34,005
Key Energy Services Inc	49291406	2,600	11 03	28,678	15 47	40,222
Keycorp	493267108	11,300	7 19	81,302	7 69	86,897
Koppers Holding Inc	50060P106	1,200	40 44	48,525	34.36	41,232
LMI National Corp	502079106	2,200	20 30	44,662	17 55	38,610
Lincoln National Group	534187108	2,700	16 95	45,755	19 42	52,434
Micron Technology Inc	595112103	9,890	6 72	66,449	6 29	62,208
Nice Systems LTD Spons ADR	653656108	800	36 14	28,915	34 45	27,560
Noranda Aluminum Holding Cor	65542W107	2,800	8 27	23,148	8 25	23,100
PHH Corp	693320202	5,152	15.51	79,925	10 70	55,126
PVH Corp	693656100	700	66 97	46,877	70 49	49,343
Popular Inc	733174106	24,800	1 69	41,996	1 39	34,472
Rex Energy Corp	761565100	1,600	11 54	18,458	14 76	23,616
Robbins & Meyers Inc	770196103	894	42 85	38,312	48 55	43,404
Sally Beauty Holdings Inc	79546E104	1,500	17.00	25,496	21 13	31,695
Scientific Games Corp	80874P109	3,300	7 45	24,582	9 70	32,010
Snap On Inc	833034101	500	50 02	25,010	50 62	25,310
Super Micro Computer Inc	86800U104	2,900	15 29	44,343	15 68	45,472
Synnex Corp	87162W100	900	28 33	25,495	30 46	27,414
Tanger Factory Outlet Center	875465106	1,000	26 05	26,052	29 32	29,320
Teleflex Inc	879369106	900	54 40	48,957	61 29	55,161

FORM 990PF, PART II - INVESTMENTS - CORPORATE STOCK**MONARCH FINANCIAL MANAGEMENT**

Security	CUSIP	No of Shares	Cost per Share	Total Cost	Price at 12/31/2011	Total value 12/31/2011
Timken CD	887389104	1,100	39.18	43,093	38 71	42,581
Treehouse Foods Inc	89469A104	400	59.94	23,976	65 38	26,152
Uil Holdings CDRp	902748102	800	32.13	25,703	35.37	28,296
Unisource Energy Corp Co	909205106	1,000	36 40	36,401	36 92	36,920
Vocus Inc	92858J108	2,100	20.79	43,661	22 09	46,389
Volterra Semiconductor Corp	928708106	1,700	24 32	41,343	25 61	43,537
Webster Financial Corp	947890109	1,900	17 28	32,834	20.39	38,741
Wolverine World Wide Inc	978097103	700	35 89	25,123	35 64	24,948
Total per detail		<u>175,325</u>		<u>2,544,397</u>		<u>2,664,038</u>

FORM 990PF, PART II - INVESTMENTS - CORPORATE STOCK

ATLAS ONE FINANCIAL GROUP, LLC

Investment Name	CUSIP / Symbol	Trade Date	No of Shares	Purchase Price	Cost Basis	Per Unit Market at 12/31/11	Total Market at 12/31/11
Fixed Income (Corporate Bonds)							
Suntrust Banks Inc	867914AZ6	09/10/07	320	109.873	35,159	109.873	35,159
1Cahn Enterprises LP/Corp SR	451102AH0	07/21/10	1,000	104.000	104,000	104.000	104,000
Barclays BK PLC	06739GBP3	10/14/10	880	84.649	74,491	84.649	74,491
Montpelier RE Holdings LTD	614810AA7	08/04/03	500	101.901	50,951	101.901	50,951
Goldman Sachs Group Inc	38143YAC7	04/18/06	1,000	90.232	90,232	90.232	90,232
US Steel Corp	912656AG0	12/10/07	500	99.000	49,500	99.000	49,500
Amerenergy Generating Co	02360XAL1	04/09/08	500	103.100	51,550	103.100	51,550
Lloyds TSB BK PLC Medium Term	53947PAB5	01/12/10	500	95.895	47,948	95.895	47,948
Genworth Finl Inc	37247DAM8	06/24/10	500	95.050	47,525	95.050	47,525
Lloyds TSB BK PLC Medium Term Sub	53947QAA5	09/16/10	500	86.135	43,068	86.135	43,068
					<u>594,423</u>		<u>594,423</u>
Common Stocks							
Apple Inc	APPL	VAR	100	405.000	40,500	405.000	40,500
Bank New York Mellon Corp	BK	VAR	1,500	19.910	29,865	19.910	29,865
1Shares INC MSCI Malaysia Free Index FD	EWM	VAR	500	13.400	6,700	13.400	6,700
1Shares MSCI Mexico Investable Market Index	EWV	VAR	150	53.760	8,064	53.760	8,064
1Shares Trust Dow Jones US Real Estate Index	IYR	VAR	115	56.810	6,533	56.810	6,533
1Shares Trust Dow Jones US Industrial Sector	IYJ	VAR	100	63.620	6,362	63.620	6,362
1Shares Trust Dow Jones US Consumer Goods	IYK	VAR	85	68.480	5,821	68.480	5,821
1Shares Trust Dow Jones US Consumer Services	IYC	VAR	100	71.410	7,141	71.410	7,141
1Shares Trust Dow Jones US Basic Materials	IYM	VAR	85	64.300	5,466	64.300	5,466
1Shares Trust Dow Jones US Financial Sector	IYF	VAR	118	49.050	5,788	49.050	5,788
1Shares Trust Dow Jones US Technology Ind	IYW	VAR	118	63.900	7,540	63.900	7,540
1Shares Trust North American Technology	IGM	VAR	122	59.410	7,248	59.410	7,248
1Shares S&P North American Technology	IGV	VAR	120	54.120	6,494	54.120	6,494
1Shares PHLX SOX Semiconductor Sector	SOXX	VAR	142	49.420	7,018	49.420	7,018
1Shares TR Cohen & Steers Realty Majors	ICF	VAR	103	70.220	7,233	70.220	7,233
1Shares S&P North American Natural Resource	IGE	VAR	159	38.000	6,042	38.000	6,042
1Shares Trust-Dow Jones US Transportation	IYT	VAR	98	89.470	8,768	89.470	8,768
1Shares MSCI Chile Investable Market Index	ECH	VAR	100	57.710	5,771	57.710	5,771
1Shares Inc MSCI Thailand Index Fund	THD	VAR	220	60.110	13,224	60.110	13,224
Johnson & Johnson	JNJ	VAR	1,000	65.580	65,580	65.580	65,580
					<u>257,158</u>		<u>257,158</u>

FORM 990PF, PART II - INVESTMENTS - CORPORATE STOCK
UBS FINANCIAL SERVICES

Investment Name	CUSIP / Symbol	Trade Date	Shares	Purchase Price	Cost Basis	Per Unit Market at 12/31/11	Total Market at 12/31/11
Equity- Common Stock							
Abbott Labs	ABT	Various	100 00	47 665	4,767	56 230	5,623
Aflac Inc	AFL	Various	94.00	45 729	4,299	43 260	4,066
Analog Devices Inc	ADI	11/02/10	120.00	34 177	4,101	35 780	4,294
Apple Inc	AAPL	04/27/11	15 00	350 898	5,263	405 000	6,075
Bard C R Inc	BCR	10/16/06	46.00	76 350	3,512	85 500	3,933
Baxter Intl Inc	BAX	Various	87.00	45 831	3,987	49.480	4,305
Cisco Systems Inc	CSCO	10/05/06	199.00	23 930	4,762	18 080	3,598
Cliffs Nat Resources Inc	CLF	11/16/11	40 00	72 506	2,900	62.350	2,494
CME Group	CME	10/02/08	14 00	376 857	5,276	243 670	3,411
Coca Cola Co Com	KO	05/15/07	49.00	52 613	2,578	69.970	3,429
CVS Caremark Corp	CVS	11/07/08	111.00	30 421	3,377	40.780	4,527
FedEx Corp	FDX	Various	48 00	96 861	4,649	83 510	4,008
Fiserv Inc	FISV	10/05/06	72.00	48.079	3,462	58 740	4,229
Frontier Communication Corp	FTR	07/13/10	519 00	7.202	3,738	5.150	2,673
Google Inc CLA	GOOG	07/06/11	9 00	537 452	4,837	645 900	5,813
Illinois Tool Works Inc	ITW	08/03/11	38 00	48.881	1,857	46.710	1,775
Infosys Ltd Spon ADR	INFY	04/10/08	67.00	36.240	2,428	51 380	3,442
Intel Corp	INTC	Various	219.00	21.665	4,745	24 250	5,311
Intl Business Mach	IBM	10/16/06	29.00	86 790	2,517	183 880	5,333
Lincoln Natl Corp I nd	LNC	11/03/11	96.00	19 557	1,877	19 420	1,864
Lowes Companies Inc	LOW	Various	183 00	30 976	5,669	25 380	4,645
McDonalds Corp	MCD	10/08/09	47 00	57 225	2,690	100 330	4,716
Methlife Inc	MET	10/05/06	126 00	57 090	7,193	31 180	3,929
Microsoft Corp	MSFT	Various	208 00	28 417	5,911	25 960	5,400
Natl Presto Indust	NPK	Various	45 00	116 752	5,254	93 600	4,212
Novartis AG Spon ADR	NVS	11/23/10	83 00	54 993	4,564	57 170	4,745
Oracle Corp	ORCL	10/05/06	173 00	18 190	3,147	25 650	4,437
Procter & Gamble Co	PG	04/27/07	78 00	62 670	4,888	66.710	5,203
Quality Systems Inc	QSII	11/21/08	68.00	14 500	986	36 990	2,515
Sasol LTD Spon ADR	SSL	11/02/06	100.00	33.538	3,354	47.400	4,740
Schein Henry Inc	HSIC	05/25/10	67 00	54 127	3,627	64 430	4,317
Staples Inc	SPLS	10/16/06	191 00	26 740	5,107	13 890	2,653
Starbucks Corp	SBUX	04/02/08	127 00	18 570	2,358	46.010	5,843
Stryker Corp	SYK	Various	104 00	37 990	3,951	49 710	5,170
Syngenta AG Spon ADR	SYT	04/29/11	84 00	50 184	4,215	58 940	4,951
Terex Corp Dela New	TEX	11/12/08	93 00	11 525	1,072	13 510	1,256
Teva Pharmaceuticals Ind LTD Israel ADR	TEVA	Various	118 00	53.112	6,267	40 360	4,762
Total S A. France Spon ADR	TOT	10/16/06	91 00	66 750	6,074	51.110	4,651
					<u>151,260</u>		<u>158,348</u>

Fixed Income

Catepillar FINL SVCS MED TERM NTS	14912L3N9	11/18/11	50 00	104 130	5,207	103 908	5,195
Staples Inc NTS	855030AJ1	11/18/11	50 00	115 108	5,755	114 347	5,717
First Trust Senior Floating Rate Income Fund	FCT	Various	318 00	13 325	4,237	13 190	4,194
iShares Barclays TIPS Bond Fund	TIP	11/17/11	54 00	116 460	6,289	116 690	6,301
					<u>21,488</u>		<u>21,408</u>

Equity- Closed End Mutual Funds

H&Q Life Sciences Investors	HQL	Various	708 00	9 618	6,810	11 470	8,121
iShares Trust S&P Developed	WPS	04/07/11	75 00	34 340	2,576	27.530	2,065
iShares Trust FTSE EPRA/NAREIT	IFGL	04/07/11	82 00	31 548	2,587	25 250	2,071
Morgan Stanley Asia Pac Fund Inc	APF	10/05/06	206 00	17 269	3,557	13 100	2,699
Petroleum & Resources CP	PEO	Various	270 00	20 694	5,587	24 480	6,610
Royce Micro-Cap Trust Inc	RMT	Various	173 00	7 804	1,350	8 770	1,517
Templeton Emergin MKTS FD Inc Dela	EMF	04/28/11	98 00	24 090	2,361	17 860	1,750

Vanguard MSCI Emerging Markets ETF	VWO	Various	149.00	22 061	3,287	38 210	5,693
Vanguard FTSE All WO X-US SC	VSS	08/03/11	28 00	97 958	2,743	77.570	2,172
Wisdomtree Emerging Markets	DGS	11/01/11	42 00	42.820	1,798	41 340	1,736
					<u>32,656</u>		<u>34,433</u>

FORM 990PF, PART II - INVESTMENTS - LAND, BUILDINGS, & EQUIPMENT

	Balance			Balance
	12/31/10	Additions	Deletions	12/31/11
Equipment	260,269	4,971	-	265,240
Library & Art	43,902	-	-	43,902
Automobiles	-	-	-	-
Leasehold Improvements	36,989	-	-	36,989
Total	341,160	4,971	-	346,131
				-
				-
Accumulated Depreciation	(245,558)	(5,533)		(251,091)
Accumulated Amortization	(33,276)	-	-	(33,276)
Total	(278,834)	(5,533)	-	(284,367)
				-
Net Land, Buildings & Equipment	62,326	(562)	-	61,764

ATTACHMENT 8FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

<u>DESCRIPTION</u>	<u>AMOUNT</u>
BOOK ADJUSTMENT TO MARK TO MARKET ACCTG	-418,249.
TOTAL	<u>-418,249.</u>

CHILES FOUNDATION

93-6031125

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEESATTACHMENT 9

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>
EARLE M. CHILES 111 S.W. FIFTH AVENUE, SUITE 4050 PORTLAND, OR 97204	PRESIDENT/TRUSTEE 40.00	65,455.	9,818. 0
PEDRO GARCIA 111 S.W. FIFTH AVENUE, SUITE 4050 PORTLAND, OR 97204	TRUSTEE 20.00	37,000.	6,408. 0
KRISTI RICHARDS 111 S.W. FIFTH AVENUE, SUITE 4050 PORTLAND, OR 97204	ASSISTANT SECRETARY 40.00	82,000.	15,005. 0
J. KENNETH MENGES, JR. AKIN, GUMP, STRAUSS, HAUER, FELD, LLP 1700 PACIFIC AVENUE, SUITE 4100 DALLAS, TX 75201-4618	SECRETARY/TRUSTEE 5.00	0	0 0
GRAND TOTALS		184,455.	31,231.

CHILES FOUNDATION

93-6031125

December 31, 2011

Form 990PF – Part XV, Line 2

Requests for grants should be mailed to the Chiles Foundation, 111 SW Fifth Avenue, Suite 4050, Portland, Oregon, 97204, (503) 222-2143 between July 1st and July 15th each year. The trustees meet during the year for the purpose of making awards.

The Foundation's principal purposes are to assist and support education and medical advancement.

Applicants generally must be non-profit, publicly supported organizations with 501(c)(3) exemptions. Grants are made primarily within the State of Oregon and the Pacific Northwest; however, the Foundation is not restricted territorially in its grant making.

The Foundation prefers initial contact be made with the Foundation's offices to obtain an application form and review the substance of the proposed request prior to filing a formal application.

CHILES FOUNDATION

93-6031125

SCHEDULE OF GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

For the Year Ended December 31, 2011

<u>Organization Name:</u>	<u>Grant Paid</u>
GRANTS:	
<u>Cultural:</u>	
Boston Symphony Orchestra	100,000
General Operating Support	
Dallas Theater Center	10,000
General Operating Support	
High Desert Museum, Portland, Oregon	50,800
General Operating Support	
Museum of Fine Arts, Boston	3,000
General Operating Support	
Portland Opera Association	1,000
General Operating Support	
Subtotal:	<u>164,800</u>
<u>Education:</u>	
F.C. Portland Academy, Portland, Oregon	20,000
Scholarship Assistance	
Menlo College	2,500
General Operating Support	
Our Lady of Lourdes School	1,500
General Operating Support	
Stanford University, Stanford, California	266,500
Scholarship Assistance and General Operating Support	
University of Portland, Portland, Oregon	69,500
Scholarship Assistance and General Operating Support	
Subtotal:	<u>360,000</u>

CHILES FOUNDATION

93-6031125

SCHEDULE OF GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

For the Year Ended December 31, 2011

<u>Organization Name:</u>	<u>Grant Paid</u>
<u>Medical & Medical Advancement</u>	
Fanconi Anemia Research Fund, Inc. General Operating Support	2,500
Ludwig-Maximilians University, Munich, Germany Support continuing clinical and experimental research	123,000
Providence Portland Medical Foundation, Portland, Oregon Support continuing clinical and experimental research	34,000
Providence St. Vincent Medical Foundation General Operating Support	3,000
Subtotal:	<u>162,500</u>
<u>Other</u>	
Coast Guard Foundation General Operating Support	15,000
First Growth Children & Family Charities, dba Classic Wines Auction General Operating Support	12,000
Foundation Batum, Inc General Operating Support	1,600
Futball-Forderverein-Mumau General Operating Support	2,000
Oregon Community Foundation General Operating Support	1,000
Priests of Holy Cross in Oregon General Operating Support	1,000
St. Andre Bessette General Operating Support	500
St. Mary's Cathedral General Operating Support	3,500
St. Michael's Church General Operating Support	7,500
Tualatin Hills Babe Ruth Baseball General Operating Support	5,000
Subtotal:	<u>49,100</u>
Total Grants	<u>\$ 736,400</u>
Total Contributions and Grants	<u>\$ 736,400</u>

CHILES FOUNDATION
93-6031125
SCHEDULE OF GRANTS APPROVED FOR FUTURE PAYMENT
For the Year Ended December 31, 2011

<u>Organization Name:</u>	<u>Grants Approved</u>
<u>Cultural:</u>	
High Desert Museum, Portland, Oregon	50,000
General Operating Support	
Subtotal:	<u><u>50,000</u></u>
<u>Education:</u>	
F.C. Portland Academy, Portland, Oregon	25,000
Scholarship Assistance	
Portland State University, Portland, OR	10,000
Scholarship Assistance and General Operating Support	
Stanford University, Stanford, California	961,000
General Operating Support	
University of Oregon, Eugene, Oregon	425,000
General Operating Support	
University of Portland, Portland, Oregon	2,000,000
General Operating Support	
Subtotal:	<u><u>3,421,000</u></u>
<u>Medical & Medical Advancement</u>	
Providence Portland Medical Foundation, Portland, Oregon	850,000
Support continuing clinical and experimental research	
Subtotal:	<u><u>850,000</u></u>
Total	<u><u>\$ 4,321,000</u></u>