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

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

THE MARK G. AND BERNIE D.L. STROM
FOUNDATION
5505 LAKE WASHINGTON BLVD., N.E. 3B
KIRKLAND, WA 98033A Employer identification number
95-4686663B Telephone number (see the instructions)
425.576.8166C 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 changeH Check type of organization: ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundationI Fair market value of all assets at end of year (from Part II, column (c), line 16)
\$ 322,774.
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)				
2 Ck <input checked="" type="checkbox"/> if the foundn is not req to att Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	2,984.	2,984.	2,984.	
5a Gross rents				
b Net rental income or (loss)				
6a Net gain/(loss) from sale of assets not on line 10	17,205.			
b Gross sales price for all assets on line 6a	588,424.			
7 Capital gain net income (from Part IV, line 2)		17,205.		
8 Net short-term capital gain			8,584.	
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)				
12 Total. Add lines 1 through 11	20,189.	20,189.	11,568.	
13 Compensation of officers, directors, trustees, etc	0.			
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach sch)				
c Other prof fees (attach sch)				
17 Interest				
18 Taxes (attach schedule) (see instrs)	118.	118.		
19 Depreciation (attach sch) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule)	20.	20.		
24 Total operating and administrative expenses. Add lines 13 through 23	138.	138.		
25 Contributions, gifts, grants paid PART XV	26,250.			26,250.
26 Total expenses and disbursements. Add lines 24 and 25	26,388.	138.	0.	26,250.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-6,199.			
b Net investment income (if negative, enter -0)		20,051.		
c Adjusted net income (if negative, enter -0)			11,568.	

159

SCANNED JUL 13 2012

REVENUE

ADMINISTRATIVE
AND
EXPENSES

SEE STM 1

SEE STATEMENT 2

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
A S S E T S	1	Cash – non-interest-bearing				
	2	Savings and temporary cash investments		3,877.	8,053.	8,053.
	3	Accounts receivable				
		Less: allowance for doubtful accounts				
	4	Pledges receivable				
		Less: allowance for doubtful accounts				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7	Other notes and loans receivable (attach sch)				
		Less: allowance for doubtful accounts				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments – U.S. and state government obligations (attach schedule)				
	b	Investments – corporate stock (attach schedule) STATEMENT 3	256,319.	258,485.	251,057.	
	c	Investments – corporate bonds (attach schedule)				
	11	Investments – land, buildings, and equipment: basis				
	Less: accumulated depreciation (attach schedule)					
12	Investments – mortgage loans					
13	Investments – other (attach schedule) STATEMENT 4	77,078.	64,537.	63,664.		
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)	337,274.	331,075.	322,774.		
L I A B I L I T I E S	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe _____)				
	23	Total liabilities (add lines 17 through 22)	0.	0.		
N E T A S S E T S O R F U N D B A L A N C E S	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>					
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, building, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds	337,274.	331,075.		
	30	Total net assets or fund balances (see instructions)	337,274.	331,075.		
	31	Total liabilities and net assets/fund balances (see instructions)	337,274.	331,075.		

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	337,274.
2	Enter amount from Part I, line 27a	2	-6,199.
3	Other increases not included in line 2 (itemize) _____	3	
4	Add lines 1, 2, and 3	4	331,075.
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	331,075.

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)
1 a 3,000 ZARLINK SEMICONDUCTOR	P	1/14/10	10/18/11
b SCHWAB ACCT. 3700-SEE ATTACHED	P	VARIOUS	VARIOUS
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 11,711.		3,090.	8,621.
b 576,713.		568,129.	8,584.
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			8,621.
b			8,584.
c			
d			
e			

2 Capital gain net income or (net capital loss)	<div> <div>If gain, also enter in Part I, line 7</div> <div>If (loss), enter -0- in Part I, line 7</div> </div>	2	17,205.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):	<div> <div>If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8</div> </div>	3	8,584.

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) N/A

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			
2009			
2008			
2007			
2006			

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

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)		1	401.
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			
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	401.
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	401.
6 Credits/Payments			
a 2011 estimated tax pmts and 2010 overpayment credited to 2011	6a		
b Exempt foreign organizations — tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7		0.
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		401.
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"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)? <i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities.</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?		X
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) 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? <i>If 'No,' attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A	13	X	
14	The books are in care of ▶ BERNEE D.L. STROM Telephone no ▶ 425.576.8166 Located at ▶ 5505 LAKE WASHINGTON BLVD. KIRKLAND WA ZIP + 4 ▶ 98033			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 — Check here ▶ N/A and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A			
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country ▶		Yes	No
		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 ▶ <input type="checkbox"/>	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' list the years ▶ 20__ , 20__ , 20__ , 20__		
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. ▶ 20__ , 20__ , 20__ , 20__		
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
BERNEE D.L. STROM 5505 LK WASHINGTON BLVD NE 3B KIRKLAND, WA 98033	PRESIDENT 0	0.	0.	0.
MARK G. STROM 5505 LK WASHINGTON BLVD NE 3B KIRKLAND, WA 98033	SECRETARY 0	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 N/A	
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 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	1 a	253,688.
b Average of monthly cash balances	1 b	5,965.
c Fair market value of all other assets (see instructions)	1 c	
d Total (add lines 1a, b, and c)	1 d	259,653.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	259,653.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	3,895.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	255,758.
6 Minimum investment return. Enter 5% of line 5	6	12,788.

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	12,788.
2a Tax on investment income for 2011 from Part VI, line 5	2 a	401.	
b Income tax for 2011. (This does not include the tax from Part VI.)	2 b		
c Add lines 2a and 2b		2 c	401.
3 Distributable amount before adjustments. Subtract line 2c from line 1		3	12,387.
4 Recoveries of amounts treated as qualifying distributions		4	
5 Add lines 3 and 4		5	12,387.
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	12,387.

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	1 a	26,250.
b Program-related investments — total from Part IX-B	1 b	
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)	3 a	
b Cash distribution test (attach the required schedule)	3 b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	26,250.
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	26,250.

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				12,387.
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	15,645.			
b From 2007	14,246.			
c From 2008	18,737.			
d From 2009	23,512.			
e From 2010	13,657.			
f Total of lines 3a through e	85,797.			
4 Qualifying distributions for 2011 from Part XII, line 4. ▶ \$ 26,250.				
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				12,387.
e Remaining amount distributed out of corpus	13,863.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	99,660.			
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)	15,645.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	84,015.			
10 Analysis of line 9				
a Excess from 2007	14,246.			
b Excess from 2008	18,737.			
c Excess from 2009	23,512.			
d Excess from 2010	13,657.			
e Excess from 2011	13,863.			

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

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.

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).)

BERNEE D.L. STROM

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 Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<i>a Paid during the year</i> NATIONAL PUBLIC RADIO 635 MASSACHUSETTS AVE. WASHINGTON, DC 20001	NONE		UNRESTRICTED	25,000.
KPLU NPR 12180 PARK AVENUE SOUTH TACOMA, WA 98447	NONE		UNRESTRICTED	1,000.
NATIONAL BRAIN TUMOR SOCIETY 22 BATTERY STREET, STE. 612 SAN FRANCISCO, CA 94111	NONE		UNRESTRICTED	250.
Total			3a	26,250.
<i>b Approved for future payment</i>				
Total			3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14		
4 Dividends and interest from securities			14	2,984.	
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					17,205.
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)				2,984.	17,205.
13 Total. Add line 12, columns (b), (d), and (e)				13	20,189.

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

FEDERAL STATEMENTS
THE MARK G. AND BERNIE D.L. STROM
FOUNDATION

STATEMENT 1
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
DEPARTMENT OF THE TREASURY	\$ 58.	\$ 58.		
FRANCHISE TAX BOARD	60.	60.		
TOTAL	\$ 118.	\$ 118.	\$ 0.	\$ 0.

STATEMENT 2
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CA SECRETARY OF STATE FEE	\$ 20.	\$ 20.		
TOTAL	\$ 20.	\$ 20.	\$ 0.	\$ 0.

STATEMENT 3
FORM 990-PF, PART II, LINE 10B
INVESTMENTS - CORPORATE STOCKS

CORPORATE STOCKS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
660 CISCO SYSTEMS	COST	\$ 20,727.	\$ 11,933.
365 COCA-COLA	COST	20,450.	25,539.
220 MICROSOFT	COST	10,068.	5,711.
161 FIRST TR EXCHANGE TRADED FD MATLS	COST	0.	0.
414 GREENHAVEN CONTINUOUS COMMODITY	COST	0.	0.
176 GUGGENHEIM EXCHANGE	COST	0.	0.
129 ISHARES SILVER	COST	0.	0.
535 ISHARES TRUST MSCI EAFE SMALL CAP ID	COST	0.	0.
159 J.P. MORGAN EXCH TRADED NT ALERIAN	COST	0.	0.
275 RYDEX ETF TRUST S&P 500 EQUAL WT IND	COST	0.	0.
425 SILVERCORP METALS INC	COST	5,376.	2,720.
314 SPDR DOW JONES REIT	COST	0.	0.
84 SPDR GOLD TRUST	COST	0.	0.
732 SPDR S&P INTERNATIONAL	COST	0.	0.
79 SPDR S&P MIDCAP 400 ETF	COST	0.	0.
850 SPRINT NEXTEL CORP.	COST	3,536.	1,989.
178 VANGUARD SMALL CAP	COST	0.	0.
378 WISDOMTREE EMERGING MARKETS	COST	0.	0.
414 WISDOMTREE TRUST EMER SMALL CAP	COST	0.	0.
3000 ZARLINK SEMICONDUCTOR	COST	0.	0.
424 ISHARES TR BARCLAYS BOND	COST	49,497.	51,745.
311 ISHARES TR BARCLAYS BOND	COST	29,683.	32,833.
590 PIMCO EXCHANGE TRADED FUND ENHANCED	COST	59,652.	59,089.
736 BOND INDEX FD SHORT TERM BOND E	COST	59,496.	59,498.
TOTAL		\$ 258,485.	\$ 251,057.

2011

FEDERAL STATEMENTS
THE MARK G. AND BERNIE D.L. STROM
FOUNDATION

PAGE 2

95-4686663

STATEMENT 4
FORM 990-PF, PART II, LINE 13
INVESTMENTS - OTHER

	<u>VALUATION METHOD</u>	<u>BOOK VALUE</u>	<u>FAIR MARKET VALUE</u>
<u>OTHER PUBLICLY TRADED SECURITIES</u>			
1214.48 TFS MARKET NEUTRAL FUND	COST	\$ 17,842.	\$ 17,895.
850 GASSTAR EXPLORATION	COST	3,629.	2,703.
SCHWAB U.S. TREASURY MONEY FUND	COST	43,066.	43,066.
	TOTAL	<u>\$ 64,537.</u>	<u>\$ 63,664.</u>

2011

FEDERAL SUPPORTING DETAIL

THE MARK G. AND BERNEE D.L. STROM
FOUNDATION

PAGE 1

95-4686663

**BALANCE SHEET
SAVINGS AND TEMPORARY CASH INVESTMENTS**

WELLS FARGO

	\$	8,053.
TOTAL	\$	<u>8,053.</u>

Fortuna Asset Management, LLC
REALIZED GAINS AND LOSSES
Strom Family Foundation - Value Momentum Portfolio
Schwab Acct# 9215-3700
From 01-01-11 Through 12-31-11

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
12-31-10	02-07-11	159	JP MORGAN EXCH TRADED NT ALERIAN MLP	5,791 70	5,976 19	184 49	
12-31-10	02-07-11	378	WISDOMTREE EMERGING MKTS EQUITY INCOME FUN	22,514 39	21,974 54	-539 85	
12-31-10	02-07-11	414	WISDOMTREE TRUST EMERGING SMALLCAP DIV FUN	22,492 96	21,740 82	-752 14	
12-31-10	02-07-11	161	FIRST TR EXCH TRADED FD MATERIALS ALPHADEX	3,842 70	4,028 25	185 55	
12-31-10	02-07-11	414	GREENHAVEN CONT CMDTY CONTINUOUS COMMODITY	13,601 23	14,167 18	565 95	
12-31-10	02-07-11	84	SPDR GOLD TRUST SPDR GOLD SHARES	11,628 57	11,051 27	-577 30	
12-31-10	02-07-11	732	SPDR S&P INTERNATIONAL SMALL CAP ETF	22,585 59	23,317 32	731 73	
12-31-10	02-07-11	79	SPDR S&P MIDCAP 400 ETF	13,088 83	13,673 71	584.88	
12-31-10	02-07-11	176	GUGGENHEIM EXCH TRD FD INSIDER SENTIMENT E	5,763 29	5,941 08	177 79	
12-31-10	02-07-11	275	RYDEX ETF TRUST S&P 500 EQUAL WT INDX FD	13,021 81	13,673 06	651 25	
12-31-10	02-07-11	314	SPDR DOW JONES REIT	19,241 67	19,907 25	665 58	
12-31-10	02-07-11	535	ISHARES TRUST MSCI EAFE SMALL CAP INDEX FU	22,600 18	23,370 15	769 97	
12-31-10	02-07-11	129	ISHARES SILVER TRUST INDEX FUND	3,895 18	3,684 31	-210 87	
12-31-10	02-07-11	178	VANGUARD SMALL CAP	13,003 59	13,470 96	467 37	
02-07-11	03-07-11	661	ISHARES TR BARCLAYS BOND BARCLAYS 7-10 YEA	60,597 73	61,239 98	642 25	
02-07-11	03-07-11	534	ISHARES TR BARCLAYS BOND BARCLAYS 3-7 YEAR	60,591 25	61,000 77	409 52	
02-07-11	03-07-11	725	ISHARES TR BARCLAYS BOND BARCLAYS 1-3 YEAR	60,685 43	60,783 02	97 59	
03-07-11	07-01-11	153	JP MORGAN EXCH TRADED NT ALERIAN MLP	5,808 64	5,682 82	-125 82	
03-07-11	07-01-11	304	WISDOMTREE EMERGING MKTS EQUITY INCOME FUN	17,734 98	18,655 59	920 61	
03-07-11	07-01-11	348	WISDOMTREE TRUST EMERGING SMALLCAP DIV FUN	17,622 76	18,411 63	788 87	

Fortuna Asset Management, LLC
REALIZED GAINS AND LOSSES
Strom Family Foundation - Value Momentum Portfolio
Schwab Acct# 9215-3700
From 01-01-11 Through 12-31-11

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
03-07-11	07-01-11	157	FIRST TR EXCH TRADED FD MATERIALS ALPHADEX	3,840 93	3,978 42	137 49	
03-07-11	07-01-11	379	GREENHAVEN CONT CMDTY CONTINUOUS COMMODITY	13,607 32	12,656 23	-951 09	
03-07-11	07-01-11	83	SPDR GOLD TRUST SPDR GOLD SHARES	11,629 09	11,997 99	368 90	
03-07-11	07-01-11	559	SPDR S&P INTERNATIONAL SMALL CAP ETF	17,763 40	17,798 49	35 09	
03-07-11	07-01-11	112	SPDR S&P MIDCAP 400 ETF	19,529 53	20,118 20	588 67	
03-07-11	07-01-11	228	GUGGENHEIM EXCH TRD FD INSIDER SENTIMENT E	7,680 24	8,303 70	623 46	
03-07-11	07-01-11	392	RYDEX ETF TRUST S&P 500 EQUAL WT INDX FD	19,477 47	20,050 04	572 57	
03-07-11	07-01-11	304	SPDR DOW JONES REIT	19,316 84	20,507 86	1,191 02	
03-07-11	07-01-11	407	ISHARES TRUST MSCI EAFE SMALL CAP INDEX FU	17,734 82	17,817 27	82 45	
03-07-11	07-01-11	111	ISHARES SILVER TRUST INDEX FUND	3,934 53	3,646 25	-288 28	
03-07-11	07-01-11	229	VANGUARD SMALL CAP	17,501 87	18,088 89	587 02	
TOTAL GAINS						12,030 07	0 00
TOTAL LOSSES						-3,445 35	0 00
				568,128 52	576,713 24	8,584 72	0 00
TOTAL REALIZED GAIN/LOSS				8,584 72			