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

2011

Department of the Treasury
Internal Revenue Service

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

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

Jerome Foundation
541 E. Chapman Ave., Suite B
Orange, CA 92866

A Employer identification number
95-6039063

B Telephone number (see the instructions)
714-538-2383

C If exemption application is pending, check here.

D 1 Foreign organizations, check here.
2 Foreign organizations meeting the 85% test, check here and attach computation

E If private foundation status was terminated under section 507(b)(1)(A), check here

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

G Check all that apply: Initial return Initial Return of a former public charity
 Final return Amended return
 Address change Name change

H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, column (c), line 16)
▶ \$ **10,275,742.**

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) |
|--|--|------------------------------------|---------------------------|-------------------------|---|
| REVENUE | 1 Contributions, gifts, grants, etc., received (att sch) | 54,060. | | | |
| | 2 Ck <input type="checkbox"/> if the foundn is not req to att Sch B | | | | |
| | 3 Interest on savings and temporary cash investments | 224. | 224. | 224. | |
| | 4 Dividends and interest from securities | 316,844. | 316,844. | 316,844. | |
| | 5a Gross rents | | | | |
| | b Net rental income or (loss) | | | | |
| | 6a Net gain/(loss) from sale of assets not on line 10 | -53,785. | | | |
| | b Gross sales price for all assets on line 6a | 677,050. | | | |
| | 7 Capital gain net income (from Part IV, line 2) | | 0. | | |
| | 8 Net short-term capital gain | | | 0. | |
| | 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 | 317,343. | 317,068. | 317,068. | | |
| ADMINISTRATIVE OPERATING AND EXPENSES | 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) See St. 1 | 5,585. | | | |
| | c Other prof fees (attach sch) | | | | |
| | 17 Interest | | | | |
| | 18 Taxes (attach schedule)(see instrs). See Stm. 2 | 955. | 895. | | |
| | 19 Depreciation (attach sch) and depletion | | | | |
| | 20 Occupancy | | | | |
| 21 Travel, conferences, and meetings | | | | | |
| 22 Printing and publications | | | | | |
| 23 Other expenses (attach schedule) See Statement 3 | 24,062. | 15,215. | | | |
| 24 Total operating and administrative expenses. Add lines 13 through 23 | 30,602. | 16,110. | | | |
| 25 Contributions, gifts, grants paid Part XV | 477,274. | | | 477,274. | |
| 26 Total expenses and disbursements. Add lines 24 and 25 | 507,876. | 16,110. | 0. | 477,274. | |
| 27 Subtract line 26 from line 12: | | | | | |
| a Excess of revenue over expenses and disbursements | -190,533. | | | | |
| b Net investment income (if negative, enter -0-) | | 300,958. | | | |
| c Adjusted net income (if negative, enter -0-) | | | 317,068. | | |

12 P

| 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 (a) Book Value | End of year (b) Book Value (c) Fair Market Value | | |
| ASSETS | 1 | Cash -- non-interest-bearing | 30,168. | 121,069. | 121,069. |
| | 2 | Savings and temporary cash investments | 192,936. | 411,501. | 411,501. |
| | 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 4 | 5,141,980. | 4,952,079. | 8,538,368. |
| | c | Investments -- corporate bonds (attach schedule) Statement 5 | 1,567,429. | 1,255,077. | 1,204,804. |
| | 11 | Investments -- land, buildings, and equipment: basis | | | |
| | Less: accumulated depreciation (attach schedule) | | | | |
| 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) | 6,932,513. | 6,739,726. | 10,275,742. | |
| LIABILITIES | 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. | |
| NET ASSETS OR FUND BALANCES | Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. | | | | |
| | 24 | Unrestricted | | | |
| | 25 | Temporarily restricted | | | |
| | 26 | Permanently restricted | | | |
| | Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/> | | | | |
| | 27 | Capital stock, trust principal, or current funds | | | |
| | 28 | Paid-in or capital surplus, or land, building, and equipment fund | 2,844,803. | 2,844,803. | |
| | 29 | Retained earnings, accumulated income, endowment, or other funds | 4,087,710. | 3,894,923. | |
| 30 | Total net assets or fund balances (see instructions) | 6,932,513. | 6,739,726. | | |
| 31 | Total liabilities and net assets/fund balances (see instructions) | 6,932,513. | 6,739,726. | | |

Part III Analysis of Changes in Net Assets or Fund Balances

| | | | |
|---|---|---|------------|
| 1 | Total net assets or fund balances at beginning of year -- Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return) | 1 | 6,932,513. |
| 2 | Enter amount from Part I, line 27a | 2 | -190,533. |
| 3 | Other increases not included in line 2 (itemize) | 3 | |
| 4 | Add lines 1, 2, and 3 | 4 | 6,741,980. |
| 5 | Decreases not included in line 2 (itemize) See Statement 6 | 5 | 2,254. |
| 6 | Total net assets or fund balances at end of year (line 4 minus line 5) -- Part II, column (b), line 30 | 6 | 6,739,726. |

Part IV Capital Gains and Losses for Tax on Investment Income

| (a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company) | | (b) How acquired P - Purchase D - Donation | (c) Date acquired (month, day, year) | (d) Date sold (month, day, year) |
|---|--|---|---|-------------------------------------|
| 1a See Statement 7 | | | | |
| 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 | | | (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 | | | | |
| b | | | | |
| c | | | | |
| d | | | | |
| e | | | | |
| 2 Capital gain net income or (net capital loss). If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 | | | 2 | -53,785. |
| 3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8. | | | 3 | -7,946. |

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

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

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

| (a) Base period years Calendar year (or tax year beginning in) | (b) Adjusted qualifying distributions | (c) Net value of noncharitable-use assets | (d) Distribution ratio (column (b) divided by column (c)) |
|--|--|---|---|
| 2010 | 460,444. | 9,358,410. | 0.049201 |
| 2009 | 403,038. | 8,298,449. | 0.048568 |
| 2008 | 429,917. | 10,040,373. | 0.042819 |
| 2007 | 581,988. | 11,352,916. | 0.051263 |
| 2006 | 524,869. | 10,639,106. | 0.049334 |
| 2 Total of line 1, column (d) | | | 0.241185 |
| 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 | | | 0.048237 |
| 4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5 | | | 10,108,772. |
| 5 Multiply line 4 by line 3 | | | 487,617. |
| 6 Enter 1% of net investment income (1% of Part I, line 27b) | | | 3,010. |
| 7 Add lines 5 and 6 | | | 490,627. |
| 8 Enter qualifying distributions from Part XII, line 4 | | | 477,274. |

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 VII Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

Table with 11 rows and 3 columns. Row 1: Exempt operating foundations... 6,019. Row 2: Tax under section 511... 0. Row 3: Add lines 1 and 2... 6,019. Row 4: Subtitle A (income) tax... 0. Row 5: Tax based on investment income... 6,019. Row 6: Credits/Payments: 6a 3,012, 6b, 6c, 6d 91. Row 7: Total credits and payments... 3,103. Row 8: Enter any penalty... 8. Row 9: Tax due... 2,916. Row 10: Overpayment... 10. Row 11: Enter the amount of line 10 to be: Credited to 2012 estimated tax... Refunded 11.

Part VIII Statements Regarding Activities

Table with 10 rows and 3 columns (Yes/No). Row 1a: During the tax year, did the foundation attempt to influence any national, state, or local legislation... X. Row 1b: Did it spend more than \$100 during the year... X. Row 1c: Did the foundation file Form 1120-POL... X. Row 2: Has the foundation engaged in any activities that have not previously been reported to the IRS?... X. Row 3: Has the foundation made any changes, not previously reported to the IRS... X. Row 4a: Did the foundation have unrelated business gross income of \$1,000 or more... X. Row 4b: If 'Yes,' has it filed a tax return on Form 990-T... N/A. Row 5: Was there a liquidation, termination, dissolution, or substantial contraction... X. Row 6: Are the requirements of section 508(e)... X. Row 7: Did the foundation have at least \$5,000 in assets... X. Row 8a: Enter the states to which the foundation reports... CA. Row 8b: If the answer is 'Yes' to line 7... X. Row 9: Is the foundation claiming status as a private operating foundation... X. Row 10: Did any persons become substantial contributors... X.

BAA

Form 990-PF (2011)

*The attached Form 2439 reflects tax paid of \$91.

Part VIIA 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 Sherrie Spray Telephone no. 714-538-2393 Located at 541 E. Chapman Ave., Ste. B, Orange, CA ZIP + 4 92866 | | | |
| 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 ▶ | 16 | Yes | No |
| | | | | X |

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

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.

| | Yes | No |
|---|-----|-----|
| 1 a 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"/> | 1 b | 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?..... | 1 c | 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.)..... | 2 b | 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__ | | |
| 3 a 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.)..... | 3 b | N/A |
| 4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?..... | 4 a | 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?..... | 4 b | X |

Part VII 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 X

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 X

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

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

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

7b

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

| (a) Name and address | (b) Title, and average hours per week devoted to position | (c) Compensation (If not paid, enter -0-) | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|----------------------|---|---|---|---------------------------------------|
| See Statement 8 | | 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

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 | 9,850,916. |
| b Average of monthly cash balances..... | 1b | 411,797. |
| c Fair market value of all other assets (see instructions)..... | 1c | |
| d Total (add lines 1a, b, and c)..... | 1d | 10,262,713. |
| e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)..... | 1e | 0. |
| 2 Acquisition indebtedness applicable to line 1 assets..... | 2 | 0. |
| 3 Subtract line 2 from line 1d..... | 3 | 10,262,713. |
| 4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)..... | 4 | 153,941. |
| 5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4..... | 5 | 10,108,772. |
| 6 Minimum investment return. Enter 5% of line 5..... | 6 | 505,439. |

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 | 505,439. |
| 2a Tax on investment income for 2011 from Part VI, line 5..... | 2a | 6,019. |
| b Income tax for 2011. (This does not include the tax from Part VI.)..... | 2b | |
| c Add lines 2a and 2b..... | 2c | 6,019. |
| 3 Distributable amount before adjustments. Subtract line 2c from line 1..... | 3 | 499,420. |
| 4 Recoveries of amounts treated as qualifying distributions..... | 4 | |
| 5 Add lines 3 and 4..... | 5 | 499,420. |
| 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 | 499,420. |

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 | 477,274. |
| 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 | 477,274. |
| 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 | 477,274. |

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 | | | | 499,420. |
| 2 Undistributed income, if any, as of the end of 2011: | | | | |
| a Enter amount for 2010 only | | | 289,808. | |
| b Total for prior years: 20__, 20__, 20__ | | 0. | | |
| 3 Excess distributions carryover, if any, to 2011: | | | | |
| a From 2006 | | | | |
| b From 2007 | | | | |
| c From 2008 | | | | |
| d From 2009 | | | | |
| e From 2010 | | | | |
| f Total of lines 3a through e | 0. | | | |
| 4 Qualifying distributions for 2011 from Part XII, line 4: ▶ \$ 477,274. | | | | |
| a Applied to 2010, but not more than line 2a | | | 289,808. | |
| 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 | | | | 187,466. |
| e Remaining amount distributed out of corpus | 0. | | | |
| 5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).) | 0. | | | 0. |
| 6 Enter the net total of each column as indicated below: | | | | |
| a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5. | 0. | | | |
| b Prior years' undistributed income. Subtract line 4b from line 2b | | 0. | | |
| c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed. | | 0. | | |
| d Subtract line 6c from line 6b. Taxable amount - see instructions. | | 0. | | |
| e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instructions | | | 0. | |
| f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012. | | | | 311,954. |
| 7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) | 0. | | | |
| 8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions) | 0. | | | |
| 9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a. | 0. | | | |
| 10 Analysis of line 9: | | | | |
| a Excess from 2007 | | | | |
| b Excess from 2008 | | | | |
| c Excess from 2009 | | | | |
| d Excess from 2010 | | | | |
| e Excess from 2011 | | | | |

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

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

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

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

Part XV Supplementary Information (Complete this part only if the 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).)

James M. Andreoli

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:

See Statement 9

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

See Statement for Line 2a

c Any submission deadlines:

See Statement for Line 2a

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

See Statement for Line 2a

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> See Statement 10 | | | | |
| Total. | | | | ▶ 3a 477,274. |
| <i>b Approved for future payment</i> | | | | |
| Total. | | | | ▶ 3b |

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF

OMB No. 1545-0047

2011

Name of the organization

Jerome Foundation

Employer identification number

95-6039063

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

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

Form 990-PF

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

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

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

General Rule

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

Special Rules

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc. purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc. purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc. contributions of \$5,000 or more during the year. ▶ \$ _____

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

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

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

Name of organization

Employer identification number

Jerome Foundation

95-6039063

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

| (a) Number | (b) Name, address, and ZIP + 4 | (c) Total contributions | (d) Type of contribution |
|---------------|--|-------------------------------|--|
| 1 | Baker Commodities ----- 4020 Bandini Blvd. ----- Vernon, CA 90058 ----- | \$ ----- 50,000. | Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |
| ----- | ----- ----- ----- | \$ ----- | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |
| ----- | ----- ----- ----- | \$ ----- | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |
| ----- | ----- ----- ----- | \$ ----- | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |
| ----- | ----- ----- ----- | \$ ----- | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |
| ----- | ----- ----- ----- | \$ ----- | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |

Name of organization
Jerome Foundation

Employer identification number
95-6039063

Part III Exclusively religious, charitable, etc, individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete cols (a) through (e) and the following line entry.

For organizations completing Part III, enter total of exclusively religious, charitable, etc, contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) \$ N/A
 Use duplicate copies of Part III if additional space is needed.

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|------------------------|------------------------|--------------------|--|
| | N/A | | |
| | | | |
| | | | |

| (e) Transfer of gift | |
|---|--|
| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
| | |
| | |
| | |

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|------------------------|------------------------|--------------------|--|
| | | | |
| | | | |
| | | | |

| (e) Transfer of gift | |
|---|--|
| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
| | |
| | |
| | |

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|------------------------|------------------------|--------------------|--|
| | | | |
| | | | |
| | | | |

| (e) Transfer of gift | |
|---|--|
| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
| | |
| | |
| | |

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|------------------------|------------------------|--------------------|--|
| | | | |
| | | | |
| | | | |

| (e) Transfer of gift | |
|---|--|
| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
| | |
| | |
| | |

Client 01

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Statement 1
Form 990-PF, Part I, Line 16b
Accounting Fees

| | (a) Expenses per Books | (b) Net Investment Income | (c) Adjusted Net Income | (d) Charitable Purposes |
|----------------------|------------------------------|---------------------------------|-------------------------------|-------------------------------|
| Accounting fees..... | \$ 5,585. | | | |
| Total | <u>\$ 5,585.</u> | <u>\$ 0.</u> | <u>\$ 0.</u> | <u>\$ 0.</u> |

Statement 2
Form 990-PF, Part I, Line 18
Taxes

| | (a) Expenses per Books | (b) Net Investment Income | (c) Adjusted Net Income | (d) Charitable Purposes |
|--------------------------|------------------------------|---------------------------------|-------------------------------|-------------------------------|
| Non Profit Corp Fee..... | \$ 50. | | | |
| Other | 905. | \$ 895. | | |
| Total | <u>\$ 955.</u> | <u>\$ 895.</u> | <u>\$ 0.</u> | <u>\$ 0.</u> |

Statement 3
Form 990-PF, Part I, Line 23
Other Expenses

| | (a) Expenses per Books | (b) Net Investment Income | (c) Adjusted Net Income | (d) Charitable Purposes |
|--------------------------|------------------------------|---------------------------------|-------------------------------|-------------------------------|
| Bank charges..... | \$ 895. | | | |
| Bookkeeping service..... | 7,098. | | | |
| Investment fees..... | 15,215. | \$ 15,215. | | |
| Office expense..... | 44. | | | |
| Storage..... | 810. | | | |
| Total | <u>\$ 24,062.</u> | <u>\$ 15,215.</u> | <u>\$ 0.</u> | <u>\$ 0.</u> |

Statement 4
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

| Corporate Stocks | Valuation Method | Book Value | Fair Market Value |
|----------------------------|---------------------|---------------|----------------------|
| Am Electric Power 1500 shs | Mkt Val | \$ 58,403. | \$ 61,965. |
| AT & T 3000 shs | Mkt Val | 102,339. | 90,720. |
| Bank of America 5100 shs | Mkt Val | 83,794. | 28,356. |
| Bristol Myers 4600 shs | Mkt Val | 84,750. | 162,104. |
| CA Water Service 2000 shs | Mkt Val | 25,640. | 36,520. |
| Caterpillar 29000 shs | Mkt Val | 107,566. | 262,740. |
| Chevron Texaco 1122 shs | Mkt Val | 36,510. | 119,381. |
| Cisco 800 shs | Mkt Val | 23,795. | 14,464. |
| Calcor 10000 shs | Mkt Val | 83,583. | 499,900. |
| Deere & Co. 6000 shs | Mkt Val | 153,675. | 464,100. |

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Statement 4 (continued)
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

| Corporate Stocks | Valuation Method | Book Value | Fair Market Value |
|---------------------------------------|------------------|------------|-------------------|
| Dow Chemical 1000 shs | Mkt Val | \$ 39,032. | \$ 28,760. |
| Du Pont 1000 shs | Mkt Val | 55,237. | 45,780. |
| Edison 2200 shs | Mkt Val | 59,334. | 91,080. |
| Emerson Electric 8400 shs | Mkt Val | 207,395. | 391,356. |
| Exxon Mobil 6400 shs | Mkt Val | 199,658. | 542,464. |
| GE 21300 shs | Mkt Val | 260,943. | 381,483. |
| General Mills 12800 shs | Mkt Val | 236,547. | 517,248. |
| Heinz 2700 shs | Mkt Val | 89,890. | 145,908. |
| Ill Tool 1000 shs | Mkt Val | 40,331. | 46,710. |
| Ingersol Rand 1100 shs | Mkt Val | 35,424. | 33,517. |
| Intel 6500 shs | Mkt Val | 215,268. | 157,625. |
| IBM - 1800 shs | Mkt Val | 176,334. | 330,984. |
| Johnson & Johnson 5100 shs | Mkt Val | 312,613. | 334,458. |
| John Hancock Fund 600 shs | Mkt Val | 14,850. | 13,320. |
| Kimberly Clark 4700 shs | Mkt Val | 190,140. | 345,732. |
| Babson Corp 2350 shs | Mkt Val | 97,033. | 84,553. |
| Microsoft 1000 shs | Mkt Val | 25,676. | 25,960. |
| Mirant WTS 103 shs | Mkt Val | 1,426. | 0. |
| Pfizer 2470 shs | Mkt Val | 48,960. | 53,451. |
| Proctor & Gamble 11115 shs | Mkt Val | 300,007. | 741,482. |
| P G & E 500 shs | Mkt Val | 20,144. | 20,610. |
| RPM 4000 shs | Mkt Val | 49,156. | 98,200. |
| Smucker 66 shs | Mkt Val | 2,190. | 5,159. |
| So. Company 4500 shs | Mkt Val | 97,234. | 208,305. |
| 3M Co. 6300 shs | Mkt Val | 236,903. | 514,899. |
| US Bankcorp Del 2031 shs | Mkt Val | 13,406. | 54,939. |
| Verizon 1220 shs | Mkt Val | 56,843. | 48,946. |
| Walmart 1640 shs | Mkt Val | 62,968. | 98,006. |
| Washington Mutual 750 shs | Mkt Val | 18,495. | 40. |
| Teradata Corp 374 shs | Mkt Val | 224. | 18,143. |
| Berkshire 850 shs | Mkt Val | 17,546. | 64,855. |
| Chevron Texaco 500 shs | Mkt Val | 17,224. | 53,200. |
| Conoco Phillips 500 shs | Mkt Val | 31,170. | 36,435. |
| Gilead Sci 500 shs | Mkt Val | 8,796. | 20,465. |
| ISHS Lat America 1000 shs | Mkt Val | 29,368. | 42,570. |
| Johnson & Johnson 500 shs | Mkt Val | 6,798. | 32,790. |
| Proctor & Gamble 650 shs | Mkt Val | 12,048. | 43,361. |
| Pepsico 500 shs | Mkt Val | 22,696. | 33,175. |
| Schein Henry 800 shs | Mkt Val | 14,840. | 45,101. |
| Deere & Co. 260 shs | Mkt Val | 13,750. | 20,110. |
| Google Inc. 60 shs | Mkt Val | 41,984. | 38,754. |
| Apple 200 shs | Mkt Val | 20,082. | 81,000. |
| Alliance Bernstein Int'l 1352.398 shs | Mkt Val | 30,808. | 14,349. |
| Wal Mart 200 shs | Mkt Val | 2,350. | 11,952. |
| Fairpoint 23 shs | Mkt Val | 267. | 0. |
| Wells Fargo 2500 shs | Mkt Val | 59,125. | 68,900. |
| McDonalds 500 shs | Mkt Val | 28,962. | 50,165. |
| CVS/Caremark 400 shs | Mkt Val | 13,143. | 16,312. |
| Century Link 84 shs | Mkt Val | 2,127. | 3,125. |
| Nextra Energy 800 shs | Mkt Val | 42,447. | 48,704. |
| Adobe 700 shs | Mkt Val | 19,301. | 19,789. |
| BHP Billiton 160 shs | Mkt Val | 10,149. | 11,301. |
| Bristol Myers 550 shs | Mkt Val | 14,248. | 19,382. |
| Capital One Financial 600 shs | Mkt Val | 22,945. | 25,374. |
| CVS/Caremark 1200 shs | Mkt Val | 22,929. | 32,624. |

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Statement 4 (continued)
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

| <u>Corporate Stocks</u> | <u>Valuation Method</u> | <u>Book Value</u> | <u>Fair Market Value</u> |
|----------------------------------|-------------------------|-------------------|--------------------------|
| IShares TR Hong Kong 650 shs | Mkt Val | \$ 22,593. | \$ 22,665. |
| IShares Comex gold 6500 shs | Mkt Val | 67,179. | 98,995. |
| IShares Silver 1450 shs | Mkt Val | 13,776. | 21,552. |
| IShares Inc MSCI CDA 800 shs | Mkt Val | 19,916. | 21,280. |
| IShares Inc MSCI Emg Mkt 640 shs | Mkt Val | 17,952. | 24,282. |
| IShares Taiwan 2000 shs | Mkt Val | 22,304. | 23,420. |
| Thermo Fish Sci 600 shs | Mkt Val | 25,884. | 26,982. |
| Abbott Laboratory 100 shs | Mkt Val | 5,465. | 5,623. |
| Advanced Data Processing 700 shs | Mkt Val | 34,905. | 37,807. |
| Frontier Communications 292 shs | Mkt Val | 3,829. | 1,504. |
| Genon Energy 90 shs | Mkt Val | 941. | 235. |
| Exxon 212 shs | Mkt Val | 18,614. | 17,969. |
| Macerich 750 shs | Mkt Val | 29,540. | 37,950. |
| SPDR DJ Wilshire 400 shs | Mkt Val | 14,360. | 12,732. |
| Vanguard REIT VIP 500 shs | Mkt Val | 24,600. | 29,000. |
| Diamond Hill 1323.251 shs | Mkt Val | 21,000. | 22,469. |
| Hussman Stat GR 2067.381 shs | Mkt Val | 27,000. | 25,698. |
| Merger FD SH 1253.135 shs | Mkt Val | 20,060. | 19,536. |
| Amazon 50 shs | Mkt Val | 10,271. | 8,655. |
| Accentive 200 shs | Mkt Val | 10,940. | 10,646. |
| Boeing 100 shs | Mkt Val | 7,889. | 7,335. |
| Diageo PLC ADR 125 shs | Mkt Val | 9,815. | 10,928. |
| Dreyfus EMH Mkt 661.376 shs | Mkt Val | 10,000. | 8,704. |
| ECOLab 200 shs | Mkt Val | 10,006. | 11,562. |
| Federated Strat 2272.27 shs | Mkt Val | 10,000. | 11,045. |
| Precision Castpart 75 shs | Mkt Val | 12,460. | 12,359. |
| Cooper Insurance 75 shs | Mkt Val | 4,617. | 4,061. |
| Costco 125 shs | Mkt Val | 10,590. | 10,415. |
| Yum Brands 450 shs | Mkt Val | 24,480. | 26,555. |
| Union Pacific 125 shs | Mkt Val | 12,274. | 13,243. |
| | Total | \$ 4,952,079. | \$ 8,538,368. |

Statement 5
Form 990-PF, Part II, Line 10c
Investments - Corporate Bonds

| <u>Corporate Bonds</u> | <u>Valuation Method</u> | <u>Book Value</u> | <u>Fair Market Value</u> |
|---------------------------------|-------------------------|-------------------|--------------------------|
| Walt Disney 6.375% 100,000 | Mkt Val | \$ 112,429. | \$ 100,901. |
| Westinghouse 8.625% 50,000 | Mkt Val | 56,396. | 51,987. |
| Bank of America 4.9% 100,000 | Mkt Val | 102,038. | 100,081. |
| Bank of America 5.125% 100,000 | Mkt Val | 104,943. | 99,555. |
| Citigroup 6.5% 25,000 | Mkt Val | 25,749. | 26,024. |
| Wells Fargo 4.95% 100,000 | Mkt Val | 93,704. | 104,958. |
| JP Morgan Chase 6.65% 100,000 | Mkt Val | 105,455. | 101,004. |
| Anheuser Busch 4.95% 50,000 | Mkt Val | 53,496. | 53,885. |
| Bank of America 5/375% 100,000 | Mkt Val | 105,418. | 99,534. |
| BP Capital Markets 5.25% 50,000 | Mkt Val | 47,519. | 53,761. |
| Citigroup 6.01% 200,000 | Mkt Val | 223,384. | 208,942. |
| HSBC 5.65% 100,000 | Mkt Val | 108,247. | 102,897. |
| Nations Bank 7.75% 100,000 | Mkt Val | 116,299. | 101,275. |
| | Total | \$ 1,255,077. | \$ 1,204,804. |

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Statement 6
Form 990-PF, Part III, Line 5
Other Decreases

| | | |
|---------------------------|----|---------------|
| Federal income taxes..... | \$ | 2,254. |
| Total | \$ | <u>2,254.</u> |

Statement 7
Form 990-PF, Part IV, Line 1
Capital Gains and Losses for Tax on Investment Income

| Item | (a) Description | (b) How Acquired | (c) Date Acquired | (d) Date Sold |
|------|------------------------------------|------------------|-------------------|---------------|
| 1 | Citigroup | Purchased | Various | 1/15/2011 |
| 2 | Home Depot | Purchased | Various | 3/01/2011 |
| 3 | Bank of America - 7.125% | Purchased | Various | 10/15/2011 |
| 4 | 1000 shs EMC Corp | Purchased | 10/31/2007 | 10/03/2011 |
| 5 | 400 shs Meadwestvaco | Purchased | 5/11/2011 | 10/03/2011 |
| 6 | 100 shs Walmart Bond 6.875% | Purchased | 5/01/1994 | 10/03/2011 |
| 7 | 160 shs BHP Billeton Ltd ADR | Purchased | 8/21/2009 | 5/16/2011 |
| 8 | 100 shs Boeing | Purchased | 5/11/2011 | 10/03/2011 |
| 9 | 75 shs Caterpillar Inc | Purchased | 2/01/2011 | 10/03/2011 |
| 10 | 300 shs Gilead Sciences | Purchased | 9/10/2004 | 8/09/2011 |
| 11 | 1250 shs IPath | Purchased | 1/30/2009 | 2/04/2011 |
| 12 | 650 shs Ishare Silver | Purchased | 10/07/2009 | 5/09/2011 |
| 13 | 100 shs Jacobs Engineering | Purchased | 2/04/2011 | 9/20/2011 |
| 14 | 420 shs Monsanto | Purchased | 11/18/2009 | 5/16/2011 |
| 15 | 800 shs Nuvasive | Purchased | Various | 1/03/2011 |
| 16 | 801,282 shs Alliance Bernstein | Purchased | 1/04/2007 | 8/05/2011 |
| 17 | 1280 shs Bank of America | Purchased | 1/28/2009 | 7/08/2011 |
| 18 | 400 shs CVS | Purchased | 11/05/2009 | 10/03/2011 |
| 19 | 2200 shs Bank of America | Purchased | Various | 4/27/2011 |
| 20 | 5200 shs Pitney Bowes | Purchased | Various | 6/16/2011 |
| 21 | Babson-L/T Cap gain- Undistributed | Purchased | Various | 12/30/2011 |

| Item | (e) Gross Sales | (f) Deprec. Allowed | (g) Cost Basis | (h) Gain (Loss) | (i) FMV 12/31/69 | (j) Adj. Bas. 12/31/69 | (k) Excess (i) - (j) | (l) Gain (Loss) |
|------|-----------------|---------------------|----------------|-----------------|------------------|------------------------|----------------------|-----------------|
| 1 | 100,000. | | 99,803. | 197. | | | | \$ 197. |
| 2 | 100,000. | | 102,280. | -2,280. | | | | -2,280. |
| 3 | 100,000. | | 110,270. | -10,270. | | | | -10,270. |
| 4 | 21,683. | | 25,450. | -3,767. | | | | -3,767. |
| 5 | 10,298. | | 13,528. | -3,230. | | | | -3,230. |
| 6 | 5,171. | | 1,175. | 3,996. | | | | 3,996. |
| 7 | 15,114. | | 10,149. | 4,965. | | | | 4,965. |
| 8 | 6,301. | | 7,889. | -1,588. | | | | -1,588. |
| 9 | 5,758. | | 7,300. | -1,542. | | | | -1,542. |
| 10 | 11,475. | | 5,280. | 6,195. | | | | 6,195. |
| 11 | 44,089. | | 31,312. | 12,777. | | | | 12,777. |
| 12 | 25,187. | | 11,193. | 13,994. | | | | 13,994. |
| 13 | 3,643. | | 5,229. | -1,586. | | | | -1,586. |
| 14 | 27,124. | | 33,325. | -6,201. | | | | -6,201. |
| 15 | 22,685. | | 26,584. | -3,899. | | | | -3,899. |
| 16 | 10,000. | | 18,253. | -8,253. | | | | -8,253. |
| 17 | 13,017. | | 9,556. | 3,461. | | | | 3,461. |
| 18 | 13,740. | | 11,464. | 2,276. | | | | 2,276. |
| 19 | 26,533. | | 48,774. | -22,241. | | | | -22,241. |
| 20 | 114,973. | | 152,021. | -37,048. | | | | -37,048. |
| 21 | 259. | | 0. | 259. | | | | 259. |

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Statement 7 (continued)
Form 990-PF, Part IV, Line 1
Capital Gains and Losses for Tax on Investment Income

| Item | (e) Gross Sales | (f) Deprec. Allowed | (g) Cost Basis | (h) Gain (Loss) | (i) FMV 12/31/69 | (j) Adj. Bas. 12/31/69 | (k) Excess (i)-(j) Total | (l) Gain (Loss) |
|------|-----------------------|---------------------------|----------------------|-----------------------|------------------------|------------------------------|-----------------------------------|-----------------------|
| | | | | | | | | <u>\$ -53,785.</u> |

Statement 8
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

| Name and Address | Title and Average Hours Per Week Devoted | Compen- sation | Contri- bution to EBP & DC | Expense Account/ Other |
|---|--|-------------------|----------------------------------|------------------------------|
| James M. Andreoli 4020 Bandini Blvd. Vernon, CA 90058 | President 0 | \$ 0. | \$ 0. | \$ 0. |
| Richard Jerome 4020 Bandini Blvd Vernon, CA 90058 | Director 0 | | 0. | 0. |
| Mitchell Ebright 4020 Bandini Blvd. Vernon, CA 90058 | Sec/Treas 0 | | 0. | 0. |
| Martha E. Morales 4020 Bandini Blvd. Vernon, CA 90058 | Director 0 | | 0. | 0. |
| Anthony Andreoli 4020 Bandini Blvd. Vernon, CA 90058 | Director 0 | | 0. | 0. |
| James A. Andreoli 4020 Bandini Blvd. Vernon, CA 90058 | Director 0 | | 0. | 0. |
| Andrew Andreoli 4020 Bandini Blvd. Vernon, CA 90058 | Director 0 | | 0. | 0. |
| | | Total \$ | <u>0.</u> | <u>\$ 0.</u> |

Statement 9
Form 990-PF, Part XV, Line 2a-d
Application Submission Information

Name of Grant Program:
Name: Jerome Foundation
Care Of: Sherrie Spray
Street Address: 541 E. Chapman Ave., Suite B

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Statement 9 (continued)
Form 990-PF, Part XV, Line 2a-d
Application Submission Information

City, State, Zip Code: Orange, CA 92866
 Telephone: 714-538-2393
 Form and Content: No standard form or specific format
 Submission Deadlines: None
 Restrictions on Awards: See statement attached

Statement 10
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

| <u>Name and Address</u> | <u>Donee Relationship</u> | <u>Found- ation Status</u> | <u>Purpose of Grant</u> | <u>Amount</u> |
|--|---------------------------|------------------------------------|-----------------------------|---------------|
| La Habra Children's Museum 301 S. Euclid La Habra, CA 90631 | Public Charity | Public | Unrestricted | \$ 5,000. |
| Variety Boys/Girls Club 2530 Cincinnati St. Los Angeles, CA 90033 | Public Charity | Public | Unrestricted | 15,625. |
| YMCA - Whittier 12817 East Hadley Street Whittier, CA 90601 | Public Charity | Public | Unrestricted | 5,000. |
| CA Special Olympics 6730 Carson Street Long Beach, CA 90808 | Public Charity | Public | Unrestricted | 5,000. |
| Children's Hospital of LA 4650 Sunset Blvd. Los Angeles, CA 90027 | Public Charity | Public | Unrestricted | 5,000. |
| Children's Hospital of OC 455 South Main Street Orange, CA 92868 | Public Charity | Public | Unrestricted | 5,000. |
| Lupus Foundation 2635 N. First St., #211 San Jose, CA 95134 | Public Charity | Public | Unrestricted | 2,500. |
| Myasthenia Gravis Fndtn 5675 Telegraph Road, Ste. 230 Los Angeles, CA 90040 | Public Charity | Public | Unrestricted | 5,000. |
| Future Farmer's - Nat'l 6060 FFA Drive Indianapolis, IN 46268 | Public Charity | Public | Unrestricted | 5,000. |

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Statement 10 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

| <u>Name and Address</u> | <u>Donee Relationship</u> | <u>Found-ation Status</u> | <u>Purpose of Grant</u> | <u>Amount</u> |
|--|---------------------------|---------------------------|-------------------------|---------------|
| Bishop Mora Salesian H.S. 960 S. Soto St. Los Angeles, CA 90023 | Public Charity | Public | Unrestricted | \$ 2,500. |
| Jerome Foundation Salcedo Cor. Gamboa Sts. Rizal, Philippines, | Private Foundation | Public | Unrestricted | 205,649. |
| Paget Foundation 120 Wall St. , Ste 1602 New York, NY 10005 | Public Charity | Public | Unrestricted | 5,000. |
| Downey Civic Light Opera P.O. Box 429 Downey, CA 90241 | Public Charity | Public | Unrestricted | 5,000. |
| St. Anthony Indian Assoc P.O. Box 486 Zuni, NM 87327 | Public Charity | Public | Unrestricted | 2,500. |
| Recording for the Blind 5022 Hollywood Blvd. Los Angeles, CA 90027 | Public Charity | Public | Unrestricted | 2,500. |
| Whittier Boys/Girls Club 7905 South Greenleaf Ave. Whittier, CA 90602 | Public Charity | Public | Unrestricted | 5,000. |
| Jr. Achievement L.A. 6250 Forest Lawn Drive Los Angeles, CA 90068 | Public Charity | Public | Unrestricted | 5,000. |
| Union Rescue Mission 545 S. San Pedro St. Los Angeles, CA 90013 | Public Charity | Public | Unrestricted | 5,000. |
| Children of the Night 14530 Sylvan St. Van Nuys, CA 91411 | Public Charity | Public | Unrestricted | 5,000. |
| USC Norris Cancer Center 1441 Eastlake Ave., RM 80 Los Angeles, CA 90033 | Public Charity | Public | Unrestricted | 8,000. |
| House Research Institute 2100 W. Third St. Los Angeles, CA 90057 | Public Charity | Public | Unrestricted | 12,000. |
| Boys/Girls Club Camarillo 1500 Temple Ave. Los Angeles, CA 93011 | Public Charity | Public | Unrestricted | 5,000. |

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Statement 10 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

| <u>Name and Address</u> | <u>Donee Relationship</u> | <u>Found- ation Status</u> | <u>Purpose of Grant</u> | <u>Amount</u> |
|---|---------------------------|------------------------------------|-----------------------------|---------------|
| Resurrection School 3360 East Opal St. Los Angeles, CA 90023 | Public Charity | Public | Unrestricted | \$ 2,500. |
| Assumption Parish School P.O. Box 8 Majuro, MH 96960 | Public Charity | Public | Unrestricted | 5,000. |
| Jerome Peacock-USC Loan 1975 Zonal Ave. Los Angeles, CA 90033 | Public Charity | Public | Unrestricted | 12,000. |
| LA Maritime Institute Berth 73, Suite 2 San Pedro, CA 90731 | Public Charity | Public | Unrestricted | 5,000. |
| Rady Children's Hosp & Health 3020 Children's Way San Diego, CA 92123 | Public Charity | Public | Unrestricted | 5,000. |
| LA Food Bank 1734 E. 41st Street Los Angeles, CA 90058 | Public Charity | Public | Unrestricted | 2,500. |
| Make a Wish Fndtn 1875 Century Park E., Ste 950 Los Angeles, CA 90067 | Public Charity | Public | Unrestricted | 5,000. |
| KCET 2900 Alameda Burbank, CA 91505 | Public Charity | Public | Unrestricted | 2,500. |
| KOCE P.O. Box 25113 Santa Ana, CA 92799 | Public Charity | Public | Unrestricted | 2,500. |
| CA Highway Patrol 11-99 Fnd 2244 N. State College Blvd. Fullerton, CA 92831 | Public Charity | Public | Unrestricted | 6,000. |
| FFA - Gadsen 6301 S. Hwy. 28 Anthony, NM 88201 | Public Charity | Public | Unrestricted | 5,000. |
| Lilac Blind Foundation 1212 N. Howard Spokane, WA 99201 | Public Charity | Public | Unrestricted | 2,500. |

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Statement 10 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

| <u>Name and Address</u> | <u>Donee Relationship</u> | <u>Found-ation Status</u> | <u>Purpose of Grant</u> | <u>Amount</u> |
|---|---------------------------|---------------------------|-------------------------|---------------|
| Walnut Med & Humanitarian Miss 747 Meadowpass Rd. Walnut, CA 91789 | Public Charity | Public | Unrestricted | \$ 8,000. |
| Boy Scouts of America 1211 E. Dyer Road Santa Ana, CA 92706 | Public Charity | Public | Unrestricted | 10,000. |
| Whittier College 13406 E. Philadelphia St. Whittier, CA 90608 | Public Charity | Public | Unrestricted | 5,000. |
| Sight for Kids, Inc. PO Box 245 Whittier, CA 90608 | Public Charity | Public | Unrestricted | 5,000. |
| ARC of Southeast LA County 12049 Woodruff Downey, CA 90241 | Public Charity | Public | Unrestricted | 5,000. |
| Holy Angels Church of Deaf 4433 S. Santa Fe Vernon, CA 90058 | Public Charity | Public | Unrestricted | 5,000. |
| Pacific Crest Youth Arts Org 21231 Fountain Springs Rd. Diamond Bar, CA 91765 | Public Charity | Public | Unrestricted | 5,000. |
| Amanda McPherson Fnd. 2775 Tapo St., #102 Simi Valley, CA 93063 | Public Charity | Public | Unrestricted | 2,500. |
| Covenant House - Hollywood 1325 N. Western Avenue Hollywood, CA 90027 | Public Charity | Public | Unrestricted | 5,000. |
| Rancho Adult Day Services 7601 E. Imperial Hwy. Downey, CA 90242 | Public Charity | Public | Unrestricted | 10,000. |
| TLC Family Resource Center 13220 Bellflower Blvd. Downey, CA 90242 | Public Charity | Public | Unrestricted | 5,000. |
| CASA of Marion County Inc. P.O. Box 12765 Salem, OR 97309 | Public Charity | Public | Unrestricted | 2,500. |

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Jerome Foundation

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Statement 10 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

| <u>Name and Address</u> | <u>Donee Relationship</u> | <u>Found- ation Status</u> | <u>Purpose of Grant</u> | <u>Amount</u> |
|---|-------------------------------|------------------------------------|-----------------------------|-----------------|
| Matt Leinart Foundation 17280 Newhope Street Fountain Valley, CA 92708 | Public Charity | Public | Unrestricted | \$ 2,500. |
| American Red Cross 11355 Ohio Avenue Los Angeles, CA 90025 | Public Charity | Public | Unrestricted | 25,000. |
| Whittier Presbyterian Church 12401 Washington Blvd. Whittier, CA 90602 | Public Charity | Public | Unrestricted | 5,000. |
| Total \$ | | | | <u>477,274.</u> |

2011

Federal Supplemental Information

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Part XV, 2d - Supplementary Information

None - Grants are made at the discretion of the trustees and are generally limited to Southern California public charitable organizations: principal private donee has been Jerome Foundation (Phillipines).

Jerome Foundation 95-6039063
Return of Private Foundation
Year Ended December 31, 2011

Statement Required by Regulation 53.4945-5(d)(2)
Re: Part VII B - Question 5(c)

(I) Name and address of Grantee:
Jerome Foundation
RFS Condominium Building
Salcedo Cor. Gamboa Sts.
Legaspi Village, Makati
Rizal, Philippines

(II) Dates and Amount of Grants

| | |
|------------|------------------|
| 01/03/2011 | \$ 300 |
| 01/11 | 6,000 |
| 02/03 | 300 |
| 02/09 | 410 |
| 02/09 | 429 |
| 02/25 | 16,700 |
| 03/03 | 300 |
| 03/25 | 10,700 |
| 04/04 | 300 |
| 04/28 | 16,100 |
| 05/03 | 300 |
| 05/05 | 8,450 |
| 05/23 | 21,800 |
| 06/03 | 300 |
| 06/22 | 9,500 |
| 07/05 | 300 |
| 08/02 | 10,900 |
| 08/03 | 300 |
| 08/12 | 3,800 |
| 08/19 | 19,900 |
| 09/09 | 10,500 |
| 09/09 | 300 |
| 09/28 | 2,910 |
| 10/03 | 300 |
| 10/24 | 450 |
| 10/27 | 25,300 |
| 11/03 | 300 |
| 11/18 | 20,200 |
| 12/21 | 18,000 |
| 12/31 | <u>300</u> |
| | <u>\$205,649</u> |

Jerome Foundation 95-6039063
Return of Private Foundation
Year Ended December 31, 2011

Statement Required by Regulation 53.4945-5(d)(2)
Re: Part VII B - Question 5(c)

(III) Purpose of Grants:

The purpose of the above grants was to assist the Jerome Foundation, Philippines, in its philanthropic and charitable projects in the Philippines.

(IV) Amounts Expended by Grants:

As of January 31, 2012, all grants had been expended for the above purposes.

(V) To the knowledge of the grantor, the grantee has not expended any of the funds for purposes other than those listed in (III) above.

(VI) The grantor received reports from the grantee on a quarterly basis throughout the tax year.

(VII) A verification of the grantee's reports was undertaken in January, 2012. All reports were found to be in order.

VOID CORRECTED

| | | | |
|---|---|--|---|
| Name, address, and ZIP code of RIC or REIT BABSON CAPITAL CORPORATE INVESTORS PO BOX 219086 KANSAS CITY MO 64121-9086 | OMB No. 1545-0143 2011 Form 2439 | Notice to Shareholder of Undistributed Long-Term Capital Gains For calendar year 2011, or other tax year of the regulated investment company (RIC) or the real estate investment trust (REIT) beginning _____, 2011, and ending _____, 20 ____ | |
| Identification number of RIC or REIT 04-2483041 | 1a Total undistributed long-term capital gains \$258.50 | | Copy C For shareholder's records. |
| Shareholder's identifying number 956-03-9063 | 1b Unrecaptured section 1250 gain | | |
| Shareholder's name, address, and ZIP code JEROME FOUNDATION ATTEN JAMES ANDREOLI C/O BAKER COMMODITIES 4020 SANDINI BLVD VERNON CA 92386-1673 | 1c Section 1202 gain | 1d Collectibles (28%) gain | |
| | | 2 Tax paid by the RIC or REIT on the box 1a gains \$90.71 | |

Form **2439**

Department of the Treasury - Internal Revenue Service



41310 001541