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

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**2011**For calendar year 2011 or tax year beginning **July 1**, 2011, and ending **June 30**, 20 **12**

Name of foundation Nibs & Edna Allen Foundation		A Employer identification number 81-0480143
Number and street (or P O box number if mail is not delivered to street address) P O Box 1435	Room/suite	B Telephone number (see instructions) 509-534-3793
City or town, state, and ZIP code Miles City, MT 59301		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 2,274,940	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	5,953	5,953		
	4 Dividends and interest from securities	46,326	46,326		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	26,749			
	b Gross sales price for all assets on line 6a 312,094				
	7 Capital gain net income (from Part IV, line 2)		26,749		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less. Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)				
	12 Total. Add lines 1 through 11	79,028	79,028		
	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)	9,272			9,272
	b Accounting fees (attach schedule)	1,700			1,700
	c Other professional fees (attach schedule)	23,897	19,118		4,779
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	4,145			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings	3,912	391		3,521
	22 Printing and publications				
	23 Other expenses (attach schedule)	1,441	144		1,297
	24 Total operating and administrative expenses. Add lines 13 through 23	44,367	19,653		20,569
	25 Contributions, gifts, grants paid	86,640			86,640
	26 Total expenses and disbursements. Add lines 24 and 25	131,007	19,653		107,209
	27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements		(51,979)			
b Net investment income (if negative, enter -0-)			59,375		
c Adjusted net income (if negative, enter -0-)					

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	11,896	12,739	12,739
	2	Savings and temporary cash investments	466,633	370,632	370,632
	3	Accounts receivable ▶			
		Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U.S. and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	1,557,077	1,600,256	1,685,421
	c	Investments—corporate bonds (attach schedule)	204,724	204,724	206,148
	11	Investments—land, buildings, and equipment: basis ▶			
Liabilities		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)	2,240,330	2,188,351	2,274,940
	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
Net Assets or Fund Balances	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	Total liabilities (add lines 17 through 22)	None	None	
		Foundations that follow SFAS 117, check here <input type="checkbox"/>			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see instructions)	2,240,330	2,188,351	
	31	Total liabilities and net assets/fund balances (see instructions)	2,240,330	2,188,351	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	2,240,330
2	Enter amount from Part I, line 27a	2	(51,979)
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	2,188,351
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	2,188,351

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co.)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	Schedule attached			
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 312,094		285,345	26,749	
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
a			26,749	
b				
c				
d				
e				
2	Capital gain net income or (net capital loss) $\left\{ \begin{array}{l} \text{If gain, also enter in Part I, line 7} \\ \text{If (loss), enter -0- in Part I, line 7} \end{array} \right\}$		2	26,749
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 $\left\{ \begin{array}{l} \text{If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in} \\ \text{Part I, line 8} \end{array} \right\}$		3	(3,927)

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.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	149,071	2,415,051	.061726
2009	147,346	2,295,231	.064196
2008	42,443	2,158,377	.019664
2007	133,520	2,716,452	.049152
2006	145,580	3,018,906	.048223
2	Total of line 1, column (d)		2 .242961
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 .0485922
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5		4 2,284,464
5	Multiply line 4 by line 3		5 111,007
6	Enter 1% of net investment income (1% of Part I, line 27b)		6 594
7	Add lines 5 and 6		7 111,601
8	Enter qualifying distributions from Part XII, line 4 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.		8 107,209

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1		1,188
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2		
3	Add lines 1 and 2	3		1,188
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4		
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5		1,188
6	Credits/Payments:			
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a		1,402
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		1,402
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		214
11	Enter the amount of line 10 to be: Credited to 2012 estimated tax 214 Refunded	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		✓
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <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>		✓
c Did the foundation file Form 1120-POL for this year?		✓
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ► \$ <u>none</u> (2) On foundation managers ► \$ <u>none</u>		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ <u>none</u>		
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>		✓
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>		✓
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		✓
b If "Yes," has it filed a tax return on Form 990-T for this year?		
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>		✓
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?		✓
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	✓	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ► <u>Montana</u>		
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 <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	✓	
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>		✓
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		✓

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		✓
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		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	✓	
Website address ► None				
14	The books are in care of ► Charles Hand	Telephone no ►	509-534-3793	
	Located at ► 1015 E. Rockwood Blvd, Spokane, WA	ZIP+4 ►	99203-3311	
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —Check here.		► <input type="checkbox"/>	
	and enter the amount of tax-exempt interest received or accrued during the year	15		
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►			✓

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b	✓
	Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>		
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	✓
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	✓
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	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	✓
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	✓

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

- 5a** During the year did the foundation pay or incur any amount to:
- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No
- b** If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? ☐ Yes ☒ No
- 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
- If "Yes" to 6b, file Form 8870
- 7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No
- b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No

5b

6b

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
Schedule attached				

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 ☐

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)*

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

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

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		

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	1,907,666
b	Average of monthly cash balances	1b	411,587
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	2,319,253
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	2,319,253
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	34,789
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,284,464
6	Minimum investment return. Enter 5% of line 5	6	114,223

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	114,223
2a	Tax on investment income for 2011 from Part VI, line 5	2a	1,188
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,188
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	113,035
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	113,035
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	113,035

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	107,209
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	107,209
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	107,209

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				113,035
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only				
b Total for prior years: 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010 11,995				
f Total of lines 3a through e	11,995			
4 Qualifying distributions for 2011 from Part XII, line 4: ► \$ 107,209				
a Applied to 2010, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see instructions)				
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 2011 distributable amount				107,209
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)	5,826			5,826
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	6,169			
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see instructions				
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount—see instructions				
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				-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)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	6,169			
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010 6,169				
e Excess from 2011				

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

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

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

1 Information Regarding Foundation Managers:

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

None

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

None

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

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

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

Address to the Foundation

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

Written application indicating names and address of applicant, description/purpose of request, evidence of 501(c)(3) status or equivalent status.

c Any submission deadlines.

Foundation has two grant cycles per year, generally in May and September. Minimum two week review of request.

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

Preference is given to Southeast Montana

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
a <i>Paid during the year</i> Schedule attached - none are individuals				
Total			3a	86,640
b <i>Approved for future payment</i>				
Total			3b	None

Nibs and Edna Allen Foundation
Grants and Contributions
81-0480143
June 30, 2012

<u>Name & address</u>	<u>Recipient</u>	<u>Purpose</u>	<u>Amount</u>
Custer County Educational Foundation Inc., Miles City, MT	501(c) (3) Charity	Scholarships Selected by Grantee	12,000
Keeping Our Kids First- Miles City, MT	501(c) (3) Charity	General Support	3,000
Garfield Elementary School Miles City, MT	Gov't Entity	General Support	1,500
Custer County District High School (Students Against Destructive Decisions), Miles City, MT	Gov't Entity	General Support	500
Custer County Community Table, Miles City, MT	501 (c) (3) Charity	General Support	5,000
Range Riders, Inc. Miles City, MT	501 (c) (3) Charity	General Support	7,500
Lincoln Elementary School, Miles City, MT	Gov't Entity	General Support	2,500
Miles City Convent Keepers, Miles City, MT	501 (c) (3) Charity	General Support	2,000
First United Methodist Church, Miles City, MT	501 (c) (3) Religious	General Support	1,000
Custer County Senior Citizens, Miles City, MT	501 (c) (3) Charity	General Support	3,500
Jefferson Elementary School, Glendive, MT	Gov't Entity	General Support	400
Barn Players, Miles City, MT	501 (c) (3) Charity	General Support	1,000
Miles City Youth Hockey Assn., Inc. Miles City, MT	501 (c) (3) Charity	General Support	7,500
Miles Community College, Miles City, MT	Gov't Entity	Scholarship Program	2,400
Miles Community College, Miles City, MT	Gov't Entity	Basketball Program	8,330
Miles Community College, Miles City, MT	Gov't Entity	Basketball Tourney	1,000
Miles Community College Miles City, MT	Gov't Entity	Outreach Reading	2,500
Miles City Meals on Wheels, Miles City, MT	501 (c) (3) Charity	General Support	1,000
Erins Hope Project, Inc. Miles City, MT	501 (c) (3) Charity	General Support	3,000
Developmental Educational Assistance Program of Southeastern, Miles City, MT	501 (c) (3) Charity	General Support	2,885
Lincoln Elementary School, Miles City, MT	Gov't Entity	Weekly Reader	1,000
Lincoln Elementary School, Miles City, MT	Gov't Entity	Document Cameras	3,100
Miles City Elementary School, Miles City, MT	Gov't Entity	Counseling	500
Miles City Softball Assoc., Inc. Miles City, MT	501 (c) (3) Charity	General Support	5,000

Garfield Elementary School, Miles City, MT	Gov't Entity	Supp. Resources	1,525
Custer County District High School, Miles City, MT	Gov't Entity	General Support	2,000
Rosebud Elementary School, Rosebud, MT	Gov't Entity	Playground Eq.	<u>5,000</u>
			\$ <u>86,640</u>

Nibs & Edna Allen Foundation
June 30, 2012
81-0480143

Part I:	<u>Total</u>	<u>Investment</u>	<u>Charity</u>
Line 16a: Legal (re: tax & compliance)	\$9,272	\$	\$9,272
Line 16b: Accounting-(annual form 990PF)	1,700		1,700
Line 16c: Investment mgmt. & advisory	23,897	19,118	4,779
Line 23: Other expense:			
Postage & office	731	73	658
Sec. of State fees	15	2	13
Prof. membership	695	69	626
Line 18: Taxes:			
Sec. 4940 tax (net of refund)	1,114		
Excise tax (incl. int.)	3,031		

Part VIII:				<u>Travel & Admin.</u>
<u>Name & Address</u>	<u>Title</u>	<u>Hours/Week</u>	<u>Compensation</u>	<u>Expense (Reimb.)</u>
Marilou Green 2019 15 th St West Billings, MT 59102	Director	1	None	\$
William Hand 11704 Blue Smoke Trail Reston, VA 20191	Board Chmn.	1	None	
Robert Lucas 200 Mississippi Miles City, MT 59301	Director	1	None	
Edna Mae Jensen 808 S. Stacy Miles City, MT 59301	President	1	None	586
Linda Rutherford 3125 Ave. E. Billings, MT 59102	Director	1	None	
Toby Tronson 1902 Ave. D Billings, MT 59102	Director	1	None	
Carolyn Petersohn 806 Wyoming Billings, MT 59101	Director	1	None	
Rose Hand 708 SE Cottage Ct. Lee's Summit, MO 64063	Director	1	None	709
Charles Hand 1015 E Rockwood Blvd Spokane, WA 99203	Treasurer	1	None	1,879
Nancy Larson 5085 W 136 th Ave., Apt. 214 Broomfield, CO 80023	Director	1	None	738
George Hand 58 Tanglewood Rd Newnan, GA 30263	Secretary	1	None	
			\$ <u>None</u>	\$ <u>3,912</u>

Nibs & Edna Allen Foundation
Schedule of Investments
81-0480143
June 30, 2012

Part II, Line 10(b) & (c):

	<u>Book Value</u>	<u>FMV</u>
Corporate stock:		
10,087.022 Ridgeworth Seix High Yld.	\$ 95,000	\$ 97,541
15,428.094 Western Asset Emerg. Mkt.	82,500	85,317
518 CEF S & P Sm. Cap. 600 Gr.	29,341	41,818
2840 I shares Russell 1000 Gr.	139,785	179,573
2179 I shares Russell 1000 Value	124,770	148,651
565 I shares S & P Mid Cap 400 Gr	44,005	59,811
709 I shares S & P Mid Cap. 400 value	49,228	57,868
479 S & P Sm. Cap. 600 value	28,524	35,604
4200 I shares Msci Eafe	259,490	209,832
3783 I shares Msci Emerg Mkt. Index	154,426	148,048
2117.497 Diamond Hill Long-Short	32,610	36,866
2098.735 Gateway Fund	52,983	56,666
4807.037 Hussman Str. Gr.	60,938	55,233
7185 Powershares Listed Priv. Eq.	66,185	63,515
3702 Powershares DB Commodity	88,511	95,327
1115 Wilshire Int'l RE	39,270	41,010
1515 Vanguard REIT Viper	79,665	99,126
3455.525 Putnam Fltg. Rate	30,000	30,167
8379.888 Pimco Foreign Bond	90,000	90,838
3336.056 Merger Fd Sh Ben Int	53,025	52,610
	<u>\$ 1,600,256</u>	<u>\$ 1,685,421</u>
Corporate bonds:		
50,000 Barclays Bank	\$ 50,264	\$ 50,364
50,000 BB & T Corp.	52,163	50,106
50,000 DuPont	51,034	53,184
50,000 Gen'l Elect.	51,263	52,494
	<u>\$ 204,724</u>	<u>\$ 206,148</u>

Nibs and Edna Allen Foundation
Schedule of Gains and Losses
June 30, 2012
81-0480143

	How Acq'd	Purchase Date	Sale Date	Sale Price	Cost	S.T. Gain (Loss)	L.T. Gain (Loss)
215 Amex Energy Select	P	1-28-11	11-14-11	15,437	15,351	\$ 86	\$
574 AmexInd	P	1-28-11	11-14-11	19,395	20,589	(1,194)	
319 Amex Materials	P	1-28-11	11-14-11	11,171	12,144	(973)	
788 Amex Tech	P	1-28-11	11-14-11	20,574	20,369	205	
250 CEF I shares Sm Cap 600	P	4-22-10	11-14-11	18,552	14,614		3,938
75 CEF I shares Sm Cap 600	P	2-17-10	5-07-12	5,986	4,248		1,738
1767.826Diamond Hill	P	7-14-10	11-14-11	30,000	27,391		2,609
240.514 Gateway Fd	P	2-17-10	11-14-11	6,275	6,032		243
300 Ishares MSCI	P	5-4-11	11-14-11	15,357	18,814	(3,457)	
1300 Ishares Russell 1000 Gr. P	P	2-17-10	11-14-11	76,256	63,986		12,270
300 Ishares Russell 1000 Gr. P	P	2-17-10	5-7-12	19,277	14,766		4,511
300 Ishares Russell 1000 ValueP	P	11-14-11	5-7-12	20,363	18,957	1,406	
100 Ishares S & P MidCp 400 GrP	P	2-17-10	11-14-11	10,140	7,906		2,234
50 Ishares S & P Midgp 400 Gr P	P	2-17-10	5-7-12	5,459	3,894		1,565
300 Powershares DB Commodity P	P	2-17-10	11-14-11	8,394	7,186		1,208
525 SPDR DI Wilshire Int'l P	P	9-15-10	11-14-11	17,934	19,641	(1,707)	
125 Vanguard REIT Viper P	P	9-15-10	5-7-12	8,130	6,594		1,536
50 Ishares Russell 1000 Value P	P	2-17-10	5-7-12	3,394	2,863		531
				<u>312,094</u>	<u>285,345</u>	<u>\$ (3,927)</u>	<u>\$ 30,676</u>