Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2011

For calendar year 2011 or tax year beginning JUL 1, 2011 **, and ending** JUN 30, 2012

Name of foundation: FRED & CHRISTINE ARMSTRONG FOUNDATION

A Employer identification number: 86-0779817

Number and street (or P O box number if mail is not delivered to street address): C/O 335 N WILMOT ROAD, SUITE 300 | Room/suite

B Telephone number: (520)790-3500

City or town, state, and ZIP code: TUCSON, AZ 85711

C If exemption application is pending, check here ▶ ☐

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

D 1. Foreign organizations, check here ▶ ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

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

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

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶$ 4,185,582.

J Accounting method: [X] Cash ☐ Accrual ☐ Other (specify) *(Part I, column (d) must be on cash basis)*

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

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))

		(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			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	75.	75.		STATEMENT 1
	4 Dividends and interest from securities	64,264.	64,264.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-2,391.			
	b Gross sales price for all assets on line 6a 670,644.				
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income	53,818.	53,818.		STATEMENT 3
	12 **Total** Add lines 1 through 11	115,766.	118,157.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	24,000.	12,000.		12,000.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees STMT 4	420.	210.		210.
	b Accounting fees STMT 5	13,715.	6,858.		6,857.
	c Other professional fees STMT 6	20,305.	20,305.		0.
	17 Interest				
	18 Taxes STMT 7	2,963.	616.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 8	14,060.	13,363.		697.
	24 **Total operating and administrative expenses** Add lines 13 through 23	75,463.	53,352.		19,764.
	25 Contributions, gifts, grants paid	203,000.			203,000.
	26 **Total expenses and disbursements** Add lines 24 and 25	278,463.	53,352.		222,764.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-162,697.			
	b **Net investment income** (if negative, enter -0-)		64,805.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	8,488.	10,554.	10,554.
	2 Savings and temporary cash investments	93,410.	45,187.	45,187.
	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			
	7 Other notes and loans receivable ▶			
	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			
	b Investments - corporate stock STMT 9	2,908,414.	2,799,947.	3,932,938.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 10	26,440.	18,367.	196,903.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	3,036,752.	2,874,055.	4,185,582.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	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			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	3,036,752.	2,874,055.	
	30 **Total net assets or fund balances**	3,036,752.	2,874,055.	
	31 **Total liabilities and net assets/fund balances**	3,036,752.	2,874,055.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	3,036,752.
2	Enter amount from Part I, line 27a	2	-162,697.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	2,874,055.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	2,874,055.

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Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	BANK OF AMERICA	P	VARIOUS	09/12/11
b	SECURITIES PER ATTACHED SHORT-TERM	P	VARIOUS	06/30/12
c	SECURITIES PER ATTACHED LONG-TERM	P	VARIOUS	06/30/12
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	11.			11.
b	109,768.		134,491.	-24,723.
c	560,865.		538,544.	22,321.
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				11.
b				-24,723.
c				22,321.
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** -2,391.

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).
If (loss), enter -0- in Part I, line 8 **3** N/A

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 instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	219,966.	4,183,055.	.052585
2009	222,074.	3,788,802.	.058613
2008	222,731.	3,396,717.	.065572
2007	207,494.	4,463,517.	.046487
2006	183,498.	4,268,019.	.042994

2	**Total** of line 1, column (d)	2	.266251
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	.053250
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	4,165,029.
5	Multiply line 4 by line 3	5	221,788.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	648.
7	Add lines 5 and 6	7	222,436.
8	Enter qualifying distributions from Part XII, line 4	8	222,764.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ 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 ▶ ☒ and enter 1% of Part I, line 27b			1	648.
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	0.
3 Add lines 1 and 2			3	648.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			4	0.
5 **Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-			5	648.
6 Credits/Payments:				
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	1,600.		
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	1,600.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☐ 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	952.
11 Enter the amount of line 10 to be: **Credited to 2012 estimated tax** ▶ 952. **Refunded** ▶			11	0.

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?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ 0. **(2)** On foundation managers. ▶ $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS?	2		X
If "Yes," attach a detailed description of the activities			
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5		X
If "Yes," attach the statement required by General Instruction T			
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?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year?	7	X	
If "Yes," complete Part II, col (c), and Part XV			
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ AZ			
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities *(continued)*

		Line	Yes	No
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?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ FOUNDATION Telephone no. ▶ (520) 790-3500
Located at ▶ C/O 335 N WILMOT, STE 300, TUCSON, AZ ZIP+4 ▶ 85711

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

		Line	Yes	No
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		X
	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.

			Line	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?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes ☐ 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)?	☐ Yes ☒ 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.)	☐ Yes ☒ 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		X
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?		1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):				
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011?	☐ Yes ☒ No			
	If "Yes," list the years ▶ ____, ____, ____, ____				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.)	N/A	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. ▶ ____, ____, ____, ____				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ 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.)*	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?		4b		X

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)? ☐ 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)? N/A | 5b | |

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53 4945-5(d)

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 6b | | X

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

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? N/A | 7b | |

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(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
FRED E ARMSTRONG, JR C/O PO BOX 12867 TUCSON, AZ 85732	DIRECTOR/VICE-PRESIDENT 1.00	0.	0.	0.
WILLIAM W LYNCH, JR C/O PO BOX 12867 TUCSON, AZ 85732	DIRECTOR/SECRETARY 1.00	0.	0.	0.
KAREN K FREY C/O PO BOX 12867 TUCSON, AZ 85732	DIRECTOR/PRESIDENT 1.00	0.	0.	0.
SAMUEL T ARMSTRONG, JR C/O PO BOX 12867 TUCSON, AZ 85732	DIRECTOR/TREASURER 8.00	24,000.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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. 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**

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.

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	3,863,623.
b	Average of monthly cash balances	1b	167,930.
c	Fair market value of all other assets	1c	196,903.
d	**Total** (add lines 1a, b, and c)	1d	4,228,456.
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	4,228,456.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	63,427.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,165,029.
6	**Minimum investment return** Enter 5% of line 5	6	208,251.

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	208,251.
2a	Tax on investment income for 2011 from Part VI, line 5 — 2a: 648.		
b	Income tax for 2011. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	648.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	207,603.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	207,603.
6	Deduction from distributable amount (see instructions)	6	0.
7	**Distributable amount** as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	207,603.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes:		
a	Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	222,764.
b	Program-related investments - total from Part IX-B	1b	0.
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	222,764.
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	5	648.
6	**Adjusted qualifying distributions** Subtract line 5 from line 4	6	222,116.

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				207,603.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			100,627.	
b Total for prior years: ____ , ____ , ____		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: ▶ $ 222,764.				
a Applied to 2010, but not more than line 2a			100,627.	
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				122,137.
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 instr.			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				85,466.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	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	Prior 3 years			
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	(e) Total
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 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:

SEE STATEMENT 11

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient: Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
SEE ATTACHED SCHEDULE	NONE	PUBLIC 501(C)(3)	SEE ATTACHED SCHEDULE	203,000.
Total ▶ 3a				203,000.
b Approved for future payment				
NONE				
Total ▶ 3b				0.

Part XVI-A **Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	75.	
4 Dividends and interest from securities			14	64,264.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income			15	53,818.	
8 Gain or (loss) from sales of assets other than inventory			18	-2,391.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		115,766.	0.

13 Total Add line 12, columns (b), (d), and (e) 13 115,766.

(See worksheet in line 13 instructions to verify calculations)

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

Line No ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

x Mary Karen Frey | x 8/10/12 | x President

Signature of officer or trustee | Date | Title

May the IRS discuss this return with the preparer shown below (see instr)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
JON W. MITCHELL, CPA	JON W. MITCHELL,	08/06/12		P00022644
Firm's name ▶ CLIFTONLARSONALLEN LLP			Firm's EIN ▶ 41-0746749	
Firm's address ▶ 335 N. WILMOT ROAD, SUITE 300 TUCSON, AZ 85711			Phone no. (520)790-3500	

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
INTEREST NBAZ	75.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	75.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
SCHWAB INSTITUTIONAL	64,264.	0.	64,264.
TOTAL TO FM 990-PF, PART I, LN 4	64,264.	0.	64,264.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
OIL ROYALTIES	53,818.	53,818.	
TOTAL TO FORM 990-PF, PART I, LINE 11	53,818.	53,818.	

FORM 990-PF LEGAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	420.	210.		210.
TO FM 990-PF, PG 1, LN 16A	420.	210.		210.

FORM 990-PF ACCOUNTING FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	13,715.	6,858.		6,857.
TO FORM 990-PF, PG 1, LN 16B	13,715.	6,858.		6,857.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT FEES	20,305.	20,305.		0.
TO FORM 990-PF, PG 1, LN 16C	20,305.	20,305.		0.

FORM 990-PF TAXES STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PROPERTY TAXES	616.	616.		0.
EXCISE TAXES	2,347.	0.		0.
TO FORM 990-PF, PG 1, LN 18	2,963.	616.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 8

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OIL ROYALTY EXPENSES	4,592.	4,592.		0.
OFFICE EXPENSES	1,395.	698.		697.
PERCENTAGE DEPLETION	8,073.	8,073.		0.
TO FORM 990-PF, PG 1, LN 23	14,060.	13,363.		697.

FORM 990-PF	CORPORATE STOCK	STATEMENT 9

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
LK INVESTMENTS PER ATTACHED, PRINCIPALLY STOCK	2,799,947.	3,932,938.
TOTAL TO FORM 990-PF, PART II, LINE 10B	2,799,947.	3,932,938.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT 10

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
OIL ROYALTY INTERESTS	COST	18,367.	196,903.
TOTAL TO FORM 990-PF, PART II, LINE 13		18,367.	196,903.

FORM 990-PF GRANT APPLICATION SUBMISSION INFORMATION STATEMENT 11
PART XV, LINES 2A THROUGH 2D

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

KAREN K FREY
PO BOX 12867
TUCSON, AZ 85732

TELEPHONE NUMBER	NAME OF GRANT PROGRAM
520-760-2981	NONE

FORM AND CONTENT OF APPLICATIONS

SPECIFIC AMOUNT REQUESTED, INTENDED USE OF THE GRANT, CURRENT FINANCIAL STATEMENTS, CURRENT BUDGET, EXEMPTION LETTER, AND ANY OTHER PERTINENT DATA.

ANY SUBMISSION DEADLINES

NONE

RESTRICTIONS AND LIMITATIONS ON AWARDS

NONE, EXCEPT THAT CONSIDERATION WILL BE GIVEN THOSE CHARITIES FUNDED BY THE ARMSTRONG FAMILY IN THE PAST.

RECIPIENT	PURPOSE OF CONTRIBUTION	AMOUNT
AMERICAN NATIONAL RED CROSS, SOUTHERN ARIZONA CHAPTER 2916 E BROADWAY BLVD, TUCSON, AZ 85716	LOCAL DISASTER SERVICES FOR CHILDREN AND FAMILIES	4,000
ARIZONA'S CHILDREN ASSOCIATION 2700 S 8TH AVE, TUCSON, AZ 85713	ASSIST NEEDY CHILDREN AND FAMILIES	7,500
ARIZONA OPERA 4600 N 12TH ST, PHOENIX, AZ 85014	PROVIDE MUSIC APPRECIATION TO THE COMMUNITY	5,000
ARIZONA-SONORA DESERT MUSEUM 2021 N KINNEY RD, TUCSON, AZ 85743	CONSERVE FLORA AND FAUNA OF THE SONORAN DESERT	5,000
BALLET ARTS FOUNDATION 200 S TUCSON BLVD, TUCSON, AZ 85716	EDUCATE, SUPPORT, AND ADVANCE THE ART OF DANCE	5,000
BEADS OF COURAGE 1050 E SEVEN GENERATIONS WAY, STE 161, TUCSON, AZ 85747	ASSIST CHILDREN TO COPE WITH SERIOUS ILLNESS	2,000
CASA DE LOS NINOS 1101 N 4TH AVE, TUCSON, AZ 85705-7467	CHILD ABUSE/NEGLECT PREVENTION PROMOTE CHILD SAFETY/FAMILY STABILITY	7,500
COMMUNITY FOOD BANK 3003 S COUNTRY CLUB RD, TUCSON, AZ 85726-6727	FOOD ASSISTANCE FOR THE HUNGRY IN PIMA COUNTY AZ	15,000
COMMUNITY HOME REPAIR PROJECTS OF ARIZONA P O BOX 26215, TUCSON, AZ 85726	ASSIST DISADVANTAGED OF PIMA COUNTY BY PROVIDING FREE HOME REPAIR SERVICE	3,000
DIAPER BANK OF SOUTHERN ARIZONA 4500 E SPEEDWAY BLVD, SUITE 75, TUCSON, AZ 85712	PROVIDE DIAPERS FOR CHILDREN AND ADULTS THROUGH COMMUNITY PARTNERS	4,000
EDUCATIONAL ENRICHMENT FOUNDATION P O BOX 13344, TUCSON, AZ 85732-3344	PROVIDE STUDENTS IN NEED OF VISION EXAMS AND EYEGLASSES	6,000
GAP MINISTRIES/SPLASH HOUSE PROJECT 7974 N ORACLE ROAD, TUCSON, AZ 85704	SHELTER, MEALS, AND COUNSELING TO DISPLACED YOUTH AGES 0-12	5,000
GOOD SHEPHERD UNITED CHURCH OF CHRIST/ SAHUARITA FOOD BANK 17750 LA CANADA DR, SAHUARITA, AZ 85629	PROVIDE SNACK PACKS FOR CHILDREN IN NEED	4,000
HANDI-DOGS, INC 75 SOUTH MONTEGO DRIVE, TUCSON, AZ 85710	TEACH PEOPLE WITH DISABILITIES AND SENIORS TO TRAIN THEIR OWN DOGS AS ASSISTANCE DOGS	4,000
THE HARRISON COUNTY HISTORICAL MUSEUM PO BOX 1987, MARSHALL, TX 75671	PRESERVE HISTORIC HARRISON COUNTY TEXAS HISTORY	5,000
HUMANE SOCIETY OF SOUTHERN ARIZONA 3450 N KELVIN BLVD, TUCSON, AZ 85716	PET VIP PROGRAM PROVIDES ANIMALS AT CONVALESCENT HOMES, HOSPICES, ETC	2,000
ARIZONA'S CHILDREN ASSOCIATION/ IN MY SHOES 3208 E FT LOWELL RD, SUITE 102, TUCSON, AZ 85716	HELP YOUNG PEOPLE TO DEVELOP COMPETENCIES FOR ADULTHOOD	3,000
ARIZONA'S CHILDREN ASSOCIATION/ LAS FAMILIAS 3618 E PIMA STREET, TUCSON, AZ 85716	FACILITATE THE HEALING PROCESS OF CHILDREN & ADULTS WHO EXPERIENCED CHILDHOOD SEXUAL ABUSE	7,500
MARSHALL DEPOT MUSEUM INC 800 N WASHINGTON, STE 1, MARSHALL, TX 75670	PRESERVE HISTORIC TEXAS AND PACIFIC RAILWAY DEPOT MUSEUM	2,000
THE MARSHALL REGIONAL ARTS COUNCIL PO BOX C, MARSHALL, TX 75671	PROVIDE ARTS APPRECIATION TO THE COMMUNITY	5,000
THE MARSHALL SYMPHONY SOCIETY P O BOX 421, MARSHALL, TX 75671	PROVIDE MUSIC APPRECIATION TO THE COMMUNITY	5,000

RECIPIENT	PURPOSE OF CONTRIBUTION	AMOUNT
MOBILE MEALS OF TUCSON INC 3003 S COUNTRY CLUB RD, STE 219, TUCSON, AZ 85713	DELIVER SPECIAL DIET MEALS TO THE HOMEBOUND	12,000
NEW BEGINNINGS FOR WOMEN & CHILDREN 2590 N ALVERNON WAY, TUCSON, AZ 85712	VARIOUS SERVICES FOR HOMELESS FAMILIES	7,500
PRIMAVERA FOUNDATION 702 S SIXTH AVE, TUCSON, AZ 85701	PROGRAMS AND SERVICES FOR HOMELESS AND IMPOVERISHED	7,500
SQUARE & COMPASS CHILDREN'S CLINIC 2600 N WYATT, TUCSON, AZ 85712-6106	ASSIST CHILDREN'S MEDICAL NEEDS	5,000
ST LUKE'S IN THE DESERT 615 E ADAMS ST, TUCSON, AZ 85705	PROVIDE SHELTER FOR THE ELDERLY	8,000
SAINT PHILIP'S PRESERVATION & ENDOWMENT FOUNDATION INC PO BOX 65016, TUCSON, AZ 85728	ST PHILIP'S OUTREACH PROGRAM COMMUNITY SERVICES	2,000
THERAPEUTIC RIDING OF TUCSON (TROT) 8920 E WOODLAND RD, TUCSON, AZ 85749	THERAPEUTIC HORSEBACK RIDING FOR SPECIAL NEEDS	5,000
THE UNIVERSITY OF AZ, ARTHRITIS CENTER PO BOX 210109, TUCSON, AZ 85721-0109	ARTHRITIS RESEARCH AND TREATMENT	20,000
TUCSON CHILDREN'S MUSEUM 200 S SIXTH AVE, TUCSON, AZ 85701	EDUCATION AND ACTIVITIES FOR CHILDREN	5,000
TUCSON FIRE DEPARTMENT PO BOX 27210, TUCSON, AZ 85726-7210	SUPPORT DROWNING PREVENTION EFFORTS IN THE COMMUNITY	3,000
TUCSON SYMPHONY ORCHESTRA 2175 N 6TH AVE, TUCSON, AZ 85705-5606	PROVIDE MUSIC APPRECIATION TO THE COMMUNITY	8,000
TU NIDITO CHILDREN & FAMILY 3922 N MOUNTAIN AVE, TUCSON, AZ 85719	SUPPORT FOR SERIOUSLY ILL AND GRIEVING CHILDREN	7,500
YOUTH ON THEIR OWN (YOTO) 1443 W PRINCE RD, TUCSON, AZ 85705	SCHOOL DROPOUT PREVENTION FOR YOUTH AGES 8-22 HOMELESS AND NEAR HOMELESS	8,000
LEUKEMIA FOUNDATION OF ARIZONA PO BOX 5820, PEORIA, AZ 85385	UNCASHED CHECK	(2,000)
TOTAL CONTRIBUTIONS		$ 203,000

Period Ending: 06/30/2012

Form 990-PF #86-0779817

Fred/Christine Armstrong FDN

Portfolio Appraisal

	Quantity	Average Cost	Current Price	Total Cost	Market Value	% of Total Portfolio	Est. Annual Income	Current Yield %
Cash Equivalents								
SCHWAB US TREASURY				34,303 88	34,303 88	0 9	3	0 0
Total Cash Equivalents				**34,303.88**	**34,303.88**	**0.9**	**3**	**0.0**
Equities								
CONSUMER DISCRETIONARY								
AMAZON COM INC	200	216 30	228 35	43,259 19	45,670 00	1 2	0	0 0
CARNIVAL CORP	1,600	31 96	34 27	51,129 75	54,832 00	1 4	1,600	2 9
LKQ CORP	3,450	11 43	33.37	39,428 15	115,109 25	2 9	0	0 0
O REILLY AUTOMOTIVE INC	700	24 82	83 77	17,372 60	58,639 00	1 5	0	0 0
TIME WARNER INC	2,866	20 61	38 50	59,077 42	110,341 00	2 8	2,981	2.7
YUM BRANDS INC	700	69.47	64 42	48,628 08	45,094 00	1 1	798	1 8
TOTAL CONSUMER DISCRETIONARY				**258,895.19**	**429,685.25**	**10.9**	**5,379**	**1.3**
CONSUMER STAPLES								
AVON PRODUCTS INC	5,275	19 25	16 21	101,564.72	85,507 75	2 2	4,853	5 7
COCA-COLA COMPANY	1,600	45 17	78 19	72,266 70	125 104 00	3 2	3,264	2 6
COLGATE-PALMOLIVE CO	1,400	50 12	104 10	70,162 85	145,740 00	3 7	3,472	2 4
CVS CAREMARK CORPORATION	3,575	21 15	46 73	75,623 71	167,059 75	4 2	2,324	1 4
TOTAL CONSUMER STAPLES				**319,617.98**	**523,411.50**	**13.3**	**13,913**	**2.7**
ENERGY								
CABOT OIL & GAS CORP	3,300	10 64	39 40	35,108 49	130,020 00	3 3	264	0 2
EXXON MOBIL CORPORATION	1,700	52 84	85 57	89,819 81	145,469 00	3 7	3,876	2 7
HALLIBURTON COMPANY	1,750	17 27	28 39	30,217 97	49,682.50	1.3	630	1 3
NATIONAL OILWELL VARCO	925	55.53	64.44	51,365.93	59,607 00	1 5	444	0 7
RANGE RESOURCES CORP	1,200	26.95	61.87	32,345.89	74,244 00	1 9	192	0 3
TOTAL ENERGY				**238,858.09**	**459,022.50**	**11.7**	**5,406**	**1.2**
FINANCIALS								
BERKSHIRE HATHAWAY INC	700	83 26	83 33	58,280 21	58,331 00	1 5	0	0 0
COMERICA INC	2,300	25 24	30.71	58,056.39	70,633 00	1 8	1,380	2 0
COMMUNITY BANK SYSTEM	1,150	28.68	27 12	32,983 22	31,188 00	0 8	1,196	3 8
CULLEN FROST BANKERS INC	725	53 72	57 49	38,949 14	41,680 25	1.1	1,392	3 3
JP MORGAN & COMPANY INC	2,350	39 90	35 73	93,760 49	83,965 50	2 1	2,820	3 4

Fred/Christine Armstrong FDN

Portfolio Appraisal

	Quantity	Average Cost	Current Price	Total Cost	Market Value	% of Total Portfolio	Est. Annual Income	Current Yield %
Equities								
FINANCIALS								
PRUDENTIAL FINANCIAL INC	1,650	45.58	48 43	75,209 58	79,909 50	2 0	2,393	3 0
WELLS FARGO & COMPANY	2,675	30.78	33 44	82,330 07	89,452 00	2 3	2,354	2 6
TOTAL FINANCIALS				**439,569.10**	**455,159.25**	**11.6**	**11,535**	**2.5**
HEALTH CARE								
ABBOTT LABORATORIES	1,975	42 90	64 47	84,732 24	127,328 25	3 2	4,029	3 2
ALLERGAN INC	700	88 12	92 57	61,684.48	64,799 00	1 6	140	0 2
CELGENE CORP	1,775	54 67	64 16	97,037 23	113,884 00	2 9	0	0 0
COVIDIEN PLC	1,775	36.91	53 50	65,513.84	94,962 50	2 4	1,598	1 7
EXPRESS SCRIPTS HOLDING CO	2,100	29 64	55 83	62,242 57	117,243 00	3 0	0	0.0
THERMO FISHER SCIENTIFIC	1,125	47.55	51 91	53,498 32	58,398 75	1 5	585	1 0
TOTAL HEALTH CARE				**424,708.68**	**576,615.50**	**14.7**	**6,352**	**1.1**
INDUSTRIALS								
C H ROBINSON WORLDWIDE	1,750	53 63	58 53	93,854.16	102,427 50	2.6	2,310	2 3
DANAHER CORPORATION	2,200	29 19	52 08	64,222 06	114,576 00	2 9	220	0 2
ROBERT HALF INTL INC	2,150	27 14	28 57	58,347 11	61,425.50	1 6	1,290	2 1
UNITED TECHNOLOGIES CORP	1,750	49 14	75 53	85,998 79	132,177 50	3 4	3,745	2 8
TOTAL INDUSTRIALS				**302,422.12**	**410,606.50**	**10.4**	**7,565**	**1.8**
INFORMATION TECHNOLOGY								
ACCENTURE PLC	2,375	25 31	60 09	60,106 59	142,713 75	3 6	3,206	2 2
ADOBE SYSTEMS INC	1,200	33 64	32 37	40,362 37	38,844 00	1 0	0	0 0
CISCO SYSTEMS INC	2,375	20 35	17 17	48,327.86	40,778 75	1 0	760	1.9
EMC CORPORATION	3,950	15 12	25 63	59,740 13	101,238.50	2.6	0	0 0
GOOGLE INC	150	573 48	580 07	86,022.11	87,010 50	2 2	0	0 0
HARRIS CORPORATION	1,100	52.85	41 85	58,140 12	46,035 00	1 2	1,452	3 2
MICROSOFT CORPORATION	2,950	26.27	30 59	77,495 95	90,240 50	2.3	2,360	2 6
NATIONAL INSTRUMENTS CORP	1,375	20.25	26 86	27,848 53	36,932.50	0.9	770	2 1
NUANCE COMMUNICATIONS INC	3,450	18 45	23 82	63,669 05	82,179 00	2.1	0	0 0
ORACLE CORPORATION	1,950	11 79	29.70	22,988 53	57,915 00	1 5	468	0 8

Fred/Christine Armstrong FDN

Portfolio Appraisal

	Quantity	Average Cost	Current Price	Total Cost	Market Value	% of Total Portfolio	Est. Annual Income	Current Yield %
Equities								
INFORMATION TECHNOLOGY								
QUALCOMM INC	825	54.12	55 68	44,648 45	45.936 00	1 2	825	1 8
TOTAL INFORMATION TECHNOLOGY				**589,349.69**	**769.823.50**	**19.6**	**9,841**	**1.3**
MATERIALS								
COMMERCIAL METALS CO	2,325	14 33	12 64	33.312 28	29,388 00	0 7	1.116	3 8
FMC CORPORATION	1.850	28 63	53 48	52.965 08	98.938 00	2 5	666	0 7
TOTAL MATERIALS				**86,277.36**	**128,326.00**	**3.3**	**1,782**	**1.4**
MUTUAL FUNDS - EQUITY								
LKCM SMALL CAP EQUITY FUND	305	19 76	23 64	6.035 41	7.219 11	0 2	0	0 0
TOTAL MUTUAL FUNDS - EQUITY				**6,035.41**	**7,219.11**	**0.2**	**0**	**0.0**
TELECOM SERVICES								
AMERICAN TOWER CORP REIT	650	59 74	69 91	38.832 01	45.441 50	1 2	572	1 3
VERIZON COMMUNICATIONS	2.100	29 08	44 44	61.076 89	93.324 00	2 4	4.200	4 5
TOTAL TELECOM SERVICES				**99,908.90**	**138,765.50**	**3.5**	**4,772**	**3.4**
Total Equities				**2,765,642.52**	**3,898,634.61**	**99.1**	**66,544**	**1.7**
TOTAL INVESTMENTS				**$2,799,946.40**	**$3,932,938.49**	**99.9%**		

THE FRED & CHRISTINE ARMSTRONG FOUNDATION
Realized Gain and Loss Schedule
Form 990-PF 6/30/2012
EIN # 86-0779817

Purchase Date	Sell Date	Quantity	Security	Proceeds	Cost Basis	Gain/Loss Short Term
8/17/2010	7/18/2011	1,225	NATIONAL INSTRUMENTS CORP	34,771.32	24,810.51	9,960.81
3/18/2011	8/18/2011	775	BANK OF AMERICA CORP	5,354 29	10,877.78	(5,523.49)
5/24/2011	3/20/2012	2,700	AVON PRODUCTS INC	50,565.19	80,956.84	(30,391.65)
12/20/2011	5/29/2012	25	AMERICAN TOWER CORP REIT	1,638.76	1,493.54	145.22
10/6/2011	5/29/2012	125	AVON PRODUCTS INC	2,072.38	2,530.08	(457.70)
3/22/2012	5/29/2012	50	COMMUNITY BANK SYSTEM	1,324.52	1,434.05	(109.53)
12/20/2011	5/29/2012	50	COMERICA INC	1,528.02	1,262.10	265.92
3/20/2012	5/29/2012	75	COMMERCIAL METALS CO	916.53	1,079.42	(162.89)
10/17/2011	5/29/2012	25	CVS CAREMARK CORPORATION	1,129.74	876.65	253.09
10/17/2011	5/29/2012	50	DANAHER CORPORATION	2,652.49	2,204.85	447.64
10/17/2011	5/29/2012	50	EXPRESS SCRIPTS HOLDING COMPANY	2,644.49	1,999.35	645.14
12/20/2011	5/29/2012	25	QUALCOMM INC	1,445.27	1,352.98	92.29
10/17/2011	5/29/2012	50	UNITED TECHNOLOGIES CORP	3,724.97	3,612.39	112.58
			Total Short Term Sales	109,767.97	134,490.54	(24,722.57)

Purchase Date	Sell Date	Quantity	Security	Proceeds	Cost Basis	Gain/Loss Long Term
12/19/2008	7/18/2011	1,125	RESEARCH IN MOTION	29,837.52	48,495.89	(18,658.37)
7/30/2008	8/18/2011	1,959	BANK OF AMERICA CORP	13,534 25	60,812 29	(47,278.04)
12/22/2009	8/18/2011	2,100	BANK OF AMERICA CORP	14,508.39	32,327 95	(17,819 56)
1/5/2010	8/18/2011	700	BANK OF AMERICA CORP	4,836 13	11,183.82	(6,347.69)
5/3/2010	8/18/2011	25	BANK OF AMERICA CORP	172.72	456.20	(283.48)
12/23/2004	10/17/2011	75	ACCENTURE PLC	4,307.36	2,068 48	2,238 88
5/3/2010	10/17/2011	25	ACCENTURE PLC	1,435.79	1,098.70	337.09
5/28/2004	10/17/2011	75	COLGATE-PALMOLIVE CO	6,816.81	4,296.00	2,520.81
5/3/2010	10/17/2011	25	COLGATE-PALMOLIVE CO	2,272.27	2,109.45	162.82
10/8/2004	10/17/2011	200	ORACLE CORPORATION	6,195.12	2,439.99	3,755.13
5/3/2010	10/17/2011	50	ORACLE CORPORATION	1,548.78	1,302.95	245.83
10/8/2004	10/17/2011	125	AT&T CORPORATION	3,619.98	3,364.34	255.64
6/16/2006	10/17/2011	75	VERIZON COMMUNICATIONS	2,760.75	2,182.66	578.09
3/17/2009	11/7/2011	500	CABOT OIL & GAS CORP	41,175.26	12,015.59	29,159.67
6/29/2004	12/20/2011	1,000	ORACLE CORPORATION	29,099.95	11,788.99	17,310.96
10/8/2004	12/20/2011	300	ORACLE CORPORATION	8,729.99	3,659.98	5,070.01
10/8/2004	12/20/2011	1,875	AT&T CORPORATION	54,575.35	50,465.14	4,110.21
8/10/2005	12/20/2011	600	AT&T CORPORATION	17,464.11	14,835.95	2,628.16
12/9/2005	12/20/2011	600	AT&T CORPORATION	17,464.11	14,937.95	2,526.16
5/3/2010	12/20/2011	25	AT&T CORPORATION	727.67	662.40	65.27
11/2/2010	2/13/2012	2,050	THE KROGER COMPANY	48,455.51	46,372.78	2,082.73
11/3/2010	2/13/2012	500	THE KROGER COMPANY	11,818.42	11,337.60	480.82
6/29/2004	2/15/2012	2,000	ORACLE CORPORATION	56,546.63	23,577.98	32,968.65
5/25/2004	3/20/2012	1,100	GENERAL ELECTRIC COMPANY	22,080.96	34,254.00	(12,173.04)
3/17/2009	5/14/2012	3,600	WEATHERFORD INTL LTD	46,551.03	41,412.19	5,138.84
5/3/2010	5/14/2012	25	WEATHERFORD INTL LTD	323 27	445.70	(122.43)
1/26/2011	5/18/2012	7,200	BROCADE COMMUNICATIONS	34,307.64	40,832.59	(6,524.95)
1/11/2007	5/29/2012	25	ABBOTT LABORATORIES	1,544.77	1,268.12	276.65
5/3/2010	5/29/2012	25	ABBOTT LABORATORIES	1,544.77	1,275.45	269.32
12/23/2004	5/29/2012	25	ACCENTURE PLC	1,450.99	689.49	761.50
11/9/2005	5/29/2012	25	ACCENTURE PLC	1,450.99	659.83	791.16
1/26/2011	5/29/2012	25	ADOBE SYSTEMS INC	786.28	840.88	(54.60)
3/18/2011	5/29/2012	25	BERKSHIRE HATHAWAY INC	1,974.04	2,081.44	(107.40)
5/3/2010	5/29/2012	25	CARNIVAL CORP	793.03	1,063.20	(270.17)
11/3/2010	5/29/2012	50	CELGENE CORP	3,441.47	3,149.41	292.06
5/21/2007	5/29/2012	25	CULLEN FROST BANKERS INC	1,428.77	1,343.07	85.70
4/16/2010	5/29/2012	50	C H ROBINSON WORLDWIDE	3,024.48	2,925.94	98.54
5/28/2004	5/29/2012	125	COLGATE-PALMOLIVE CO	12,373.40	7,160.00	5,213.40

3/17/2009	5/29/2012	100	CABOT OIL & GAS CORP	3,467.57	1,201 56	2,266.01
8/3/2010	5/29/2012	50	COVIDIEN PLC	2,646.49	1,845.46	801.03
7/29/2004	5/29/2012	25	CISCO SYSTEMS INC	407.02	519.57	(112.55)
5/3/2010	5/29/2012	25	CISCO SYSTEMS INC	407.02	690.95	(283.93)
9/29/2005	5/29/2012	25	CVS CAREMARK CORPORATION	1,129.74	710.83	418.91
5/3/2010	5/29/2012	25	CVS CAREMARK CORPORATION	1,129.74	932.95	196.79
3/7/2008	5/29/2012	50	EMC CORPORATION	1,213.53	756.20	457.33
5/3/2010	5/29/2012	50	EMC CORPORATION	1,213.53	971.95	241.58
2/18/2010	5/29/2012	50	FMC CORPORATION	2,600.49	1,431.49	1,169.00
10/8/2004	5/29/2012	50	HALLIBURTON COMPANY	1,593.51	884.14	709.37
4/29/2008	5/29/2012	25	HARRIS CORPORATION	986.53	1,321.37	(334.84)
11/15/2007	5/29/2012	50	JP MORGAN & COMPANY INC	1,666.01	2,174.52	(508.51)
5/3/2010	5/29/2012	25	COCA-COLA COMPANY	1,872.26	1,346.20	526.06
11/3/2008	5/29/2012	50	LKQ CORP	1,796.99	583.05	1,213.94
5/3/2010	5/29/2012	25	LKQ CORP	898.50	534.45	364.05
6/8/2004	5/29/2012	50	MICROSOFT CORPORATION	1,465.00	1,323.00	142.00
5/3/2010	5/29/2012	25	MICROSOFT CORPORATION	732.50	776.45	(43.95)
8/17/2010	5/29/2012	25	NATIONAL INSTRUMENTS CORP	658 04	506.34	151.70
11/2/2010	5/29/2012	25	NATIONAL OILWELL VARCO	1,728.01	1,391.18	336.83
11/9/2007	5/29/2012	75	NUANCE COMMUNICATIONS INC	1,576.51	1,510.08	66.43
6/29/2004	5/29/2012	50	ORACLE CORPORATION	1,312.52	589.45	723.07
11/25/2008	5/29/2012	25	O REILLY AUTOMOTIVE INC	2,408.75	620.45	1,788.30
3/18/2011	5/29/2012	50	PRUDENTIAL FINANCIAL INC	2,375.00	3,046.22	(671.22)
12/22/2009	5/29/2012	50	ROBERT HALF INTL INC	1,437.52	1,356.91	80.61
7/26/2006	5/29/2012	25	RANGE RESOURCES CORP	1,514.27	673.87	840.40
1/5/2010	5/29/2012	25	THERMO FISHER SCIENTIFIC	1,289.02	1,188.85	100.17
1/6/2009	5/29/2012	50	TIME WARNER INC	1,741.49	1,133.03	608.46
5/3/2010	5/29/2012	25	TIME WARNER INC	870.75	848.20	22.55
6/16/2006	5/29/2012	50	VERIZON COMMUNICATIONS	2,068.50	1,455.11	613.39
4/4/2008	5/29/2012	25	WELLS FARGO & COMPANY	796.01	769.44	26.57
5/3/2010	5/29/2012	25	WELLS FARGO & COMPANY	796.01	840.95	(44.94)
4/29/2010	5/29/2012	50	EXXON MOBIL CORPORATION	4,087.46	3,415.14	672.32
			Total Long Term Sales	560,865.05	538,543.75	22,321.30