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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

2012

Open to Public Inspection

For calendar year 2012, or tax year beginning 01-01-2012 , and ending 12-31-2012

Name of foundation
FLOWERREE FOUNDATION

A Employer identification number
93-6034207

Number and street (or P O box number if mail is not delivered to street address)
PO BOX 8098

Room/suite

B Telephone number (see instructions)
(503) 659-2305

City or town, state, and ZIP code
PORTLAND, OR 97207

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 ☑ 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)* ▶$ 7,405,389

J Accounting method ☑ 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) (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 ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	11,560	11,560		
	4	Dividends and interest from securities	207,776	207,776		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	-522,895			
	b	Gross sales price for all assets on line 6a 1,203,177				
	7	Capital gain net income (from Part IV, line 2)				
	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) (attach schedule)				
	11	Other income (attach schedule)	-44,021			
	12	**Total.** Add lines 1 through 11	-347,580	219,336		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)	1,528			
	b	Accounting fees (attach schedule)	20,175			
	c	Other professional fees (attach schedule)	50,559	50,559		
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	4,644	795		491
	19	Depreciation (attach schedule) and depletion	4,555			
	20	Occupancy	2,446			
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	6,022	75		1,165
	24	**Total operating and administrative expenses.** Add lines 13 through 23	89,929	51,429		1,656
	25	Contributions, gifts, grants paid	193,550			193,550
	26	**Total expenses and disbursements.** Add lines 24 and 25	283,479	51,429		195,206
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-631,059			
	b	**Net investment income** (if negative, enter -0-)		167,907		
	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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	153,804	351,973	351,974
	3	Accounts receivable ▶ 8,000 Less allowance for doubtful accounts ▶	31,361	8,000	
	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 page 15 of the 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	500	500	500
	10a	Investments—U S and state government obligations (attach schedule)	239,670		
	b	Investments—corporate stock (attach schedule)	4,011,280	4,178,182	5,388,934
	c	Investments—corporate bonds (attach schedule)	227,459		
	11	Investments—land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	1,139,791	636,249	1,460,263
	14	Land, buildings, and equipment basis ▶ 223,177 Less accumulated depreciation (attach schedule) ▶ 19,459	208,273	203,718	203,718
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	6,012,138	5,378,622	7,405,389
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 (attach schedule)			
	22	Other liabilities (describe ▶)	513	1,489	
	23	**Total liabilities** (add lines 17 through 22)	513	1,489	
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			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	6,011,625	5,377,133	
	30	**Total net assets or fund balances** (see page 17 of the instructions)	6,011,625	5,377,133	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	6,012,138	5,378,622	

Part III **Analysis of Changes in Net Assets or Fund Balances**

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	6,011,625
2	Enter amount from Part I, line 27a	2	-631,059
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	5,380,566
5	Decreases not included in line 2 (itemize) ▶	5	3,433
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	5,377,133

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)
1 a				
b	Capital Gain Dividends			
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				5,625
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				
b				
c				
d				
e				

2	Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	-41,099
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8		3	-30,319

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 page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2011	202,213	6,422,121	0 03149
2010	44,637	3,141,046	0 01421
2009	99,570	1,527,777	0 06517
2008	65,070	2,060,182	0 03159
2007	56,230	2,494,770	0 02254

2	**Total** of line 1, column (d).	2	0 16500
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years . . .	3	0 03300
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5.	4	6,944,914
5	Multiply line 4 by line 3.	5	229,175
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	1,679
7	Add lines 5 and 6.	7	230,854
8	Enter qualifying distributions from Part XII, line 4.	8	195,206

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 page 18 of the 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	3,358
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	3,358
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	3,358
6	Credits/Payments				
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	1,920		
b	Exempt foreign organizations—tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	10,000		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	11,920
8	Enter any **penalty** for underpayment of estimated tax Check here ☑ if Form 2220 is attached			8	51
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	8,511
11	Enter the amount of line 10 to be **Credited to 2013 estimated tax** ▶ 8,511	**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?	1a		No
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)?	1b		No
	*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		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ____________ **(2)** On foundation managers ▶ $ ____________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ____________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS?	2		No
	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		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a	Yes	
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b	Yes	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5		No
	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	Yes	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ OR			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*	8b	Yes	
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 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

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

			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		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶N/A

14 The books are in care of ▶THOMPSON KESSLER ET AL Telephone no ▶(503) 225-1612

Located at ▶111 SW COLUMBIA SUITE 750 PORTLAND OR ZIP+4 ▶97201

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 |

			Yes	No
16	At any time during calendar year 2012, 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		No

See 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? ☐ **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 page 20 of the instructions)?	1b		No
	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 2012?	1c		No
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 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? ☐ **Yes** ☑ **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		No
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? ☐ **Yes** ☑ **No**			
b	If "Yes," did it have excess business holdings in 2012 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 2012.)*	3b		No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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 2012?	4b		No

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

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	**5b**		**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?	**6b**		**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?	**7b**		**No**

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

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

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

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	Expenses
1 THE FOUNDATION PREVIOUSLY PURCHASED TWO ACRES OF REAL PROPERTY IN CHRISTMAS VALLEY, OREGON, FOR DEVELOPMENT AS A PUBLIC PARK THE PROPERTY IS INSURED AND MAINTAINED BY THE FOUNDATION THROUGH DIRECT PAYMENTS AND/OR INDIRECTLY THROUGH CONTRIBUTIONS TO THE CHRISTMAS VALLEY FOUNDATION	0
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See page 24 of the 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	6,680,487
b	Average of monthly cash balances	1b	370,187
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	7,050,674
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	
3	Subtract line 2 from line 1d	3	7,050,674
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	105,760
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	6,944,914
6	**Minimum investment return.** Enter 5% of line 5	6	347,246

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	347,246
2a	Tax on investment income for 2012 from Part VI, line 5 — 2a: 3,358		
b	Income tax for 2012 (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	3,358
3	Distributable amount before adjustments Subtract line 2c from line 1	3	343,888
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	343,888
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	343,888

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	195,206
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	195,206
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	195,206

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 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				343,888
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only.			162,350	
b Total for prior years 20___, 20___, 20___				
3 Excess distributions carryover, if any, to 2012				
a From 2007.				
b From 2008.				
c From 2009.				
d From 2010.				
e From 2011.				
f **Total** of lines 3a through e.				
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ $ 195,206				
a Applied to 2011, but not more than line 2a			162,350	
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2012 distributable amount.				32,856
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2012 *(If an amount appears in column (d), the same amount must be shown in column (a).)*				
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount —see instructions				
e Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount—see instructions				
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				311,032
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 2007 not applied on line 5 or line 7 (see instructions) . . .				
9 **Excess distributions carryover to 2013.** Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2008. . . .				
b Excess from 2009. . . .				
c Excess from 2010. . . .				
d Excess from 2011. . . .				
e Excess from 2012. . . .				

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 2012, enter the date of the ruling. . . . . . . ▶

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

	Tax year	Prior 3 years			
	(a) 2012	**(b)** 2011	**(c)** 2010	**(d)** 2009	**(e) Total**
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon **a** "Assets" alternative test—enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

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

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

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

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

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

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

c Any submission deadlines

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

Part XV **Supplementary Information** (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
SCHEDULE 1 SEE ATTACHED PORTLAND, OR 97205	N/A	PUBLIC	EXEMPT PURPOSE	193,550
Total . . . . ▶ **3a**				193,550
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments. . . .					
3 Interest on savings and temporary cash investments			14	11,560	
4 Dividends and interest from securities. . . .			14	207,776	
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.			14	115	
8 Gain or (loss) from sales of assets other than inventory			18	-525,071	2,176
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory. .					
11 Other revenue a PUBLIC TRADED PARTNERSHIP				-44,136	
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e). .				-349,756	2,176

13 Total. Add line 12, columns (b), (d), and (e). . . . . 13 -347,580

(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) (See instructions)
1	N/A

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)		No
(2) Other assets	1a(2)		No
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization	1b(1)		No
(2) Purchases of assets from a noncharitable exempt organization	1b(2)		No
(3) Rental of facilities, equipment, or other assets	1b(3)		No
(4) Reimbursement arrangements	1b(4)		No
(5) Loans or loan guarantees	1b(5)		No
(6) Performance of services or membership or fundraising solicitations	1b(6)		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		No

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

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

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 or fiduciary) is based on all information of which preparer has any knowledge

****** | 2013-10-22 | ******

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
DAVID A KESSLER CPA	DAVID A KESSLER CPA			P00106429

Firm's name ▶ THOMPSON KESSLER WIEST & BORQUIST PC

Firm's EIN ▶

Firm's address ▶ 111 SW COLUMBIA STREET SUITE 750 PORTLAND, OR 972015806

Phone no (503) 225-1612

TY 2012 Accounting Fees Schedule

Name: FLOWERREE FOUNDATION

EIN: 93-6034207

Software ID: 12000229

Software Version: 2012v2.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING & TAX PREP	20,175	0	0	0

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2012 Depreciation Schedule

Name: FLOWERREE FOUNDATION

EIN: 93-6034207

Software ID: 12000229

Software Version: 2012v2.0

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
PARK CHRISTMAS TREELIGHTS	2009-11-20	1,137	568	51	20 00 %	227			
PARK IMPROVEMENTS	2009-01-01	32,960	2,501	87	2 56 %	845			
2009 JOHN DEERE X500	2009-07-02	5,021	2,510	54	20 00 %	1,004			
IRRIGATION SYSTEM	2008-12-08	34,243	7,136	67	6 67 %	2,284			
BUILDING IMPROVEMENTS	2000-11-27	7,788	2,189	87	2 50 %	195			

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2012 Gain/Loss from Sale of Other Assets Schedule

Name: FLOWERREE FOUNDATION

EIN: 93-6034207

Software ID: 12000229

Software Version: 2012v2.0

Name	Date Acquired	How Acquired	Date Sold	Purchaser Name	Gross Sales Price	Basis	Basis Method	Sales Expenses	Total (net)	Accumulated Depreciation
PUBLICLY TRADED SECURITIES	2011-01	Purchase	2012-12		797,079	1,297,456	Cost		-500,377	
PUBLICLY TRADED SECURITIES	2012-01	Purchase	2012-12		398,297	428,616	Cost		-30,319	

TY 2012 Land, Etc. Schedule

Name: FLOWERREE FOUNDATION

EIN: 93-6034207

Software ID: 12000229

Software Version: 2012v2.0

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
Land	142,028		142,028	142,028
Improvements	76,128	15,945	60,183	60,183
Machinery and Equipment	5,021	3,514	1,507	1,507

TY 2012 Legal Fees Schedule

Name: FLOWERREE FOUNDATION
EIN: 93-6034207
Software ID: 12000229
Software Version: 2012v2.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LEGAL	1,528	0	0	0

TY 2012 Mortgages and Notes Payable Schedule

Name: FLOWERREE FOUNDATION
EIN: 93-6034207
Software ID: 12000229
Software Version: 2012v2.0
Total Mortgage Amount:

Item No.	1
Lender's Name	CARL PEGGY SHUMWAY
Lender's Title	
Relationship to Insider	
Original Amount of Loan	
Balance Due	
Date of Note	
Maturity Date	
Repayment Terms	
Interest Rate	
Security Provided by Borrower	
Purpose of Loan	
Description of Lender Consideration	
Consideration FMV	

TY 2012 Other Decreases Schedule

Name: FLOWERREE FOUNDATION

EIN: 93-6034207

Software ID: 12000229

Software Version: 2012v2.0

Description	Amount
CARRYING VALUE ADJUSTMEMT	3,433

TY 2012 Other Expenses Schedule

Name: FLOWERREE FOUNDATION

EIN: 93-6034207

Software ID: 12000229

Software Version: 2012v2.0

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
SECRETARIAL SERVICES	2,010			
REPAIRS AND MAINTENANCE	33			33
PENALTIES	51			
OREGON DEPARTMENT OF JUSTICE	780			
office expenses	114			
INSURANCE	2,264			1,132
BANK & SERVICE FEES	75	75		
ASSOCIATION DUES	695			

TY 2012 Other Income Schedule

Name: FLOWERREE FOUNDATION

EIN: 93-6034207

Software ID: 12000229

Software Version: 2012v2.0

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
PUBLIC TRADED PARTNERSHIP	-44,136		
Other Investment Income	115		

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TY 2012 Other Liabilities Schedule

Name: FLOWERREE FOUNDATION

EIN: 93-6034207

Software ID: 12000229

Software Version: 2012v2.0

Description	Beginning of Year - Book Value	End of Year - Book Value
FEDERAL EXCISE TAXES	513	1,489

TY 2012 Other Professional Fees Schedule

Name: FLOWERREE FOUNDATION

EIN: 93-6034207

Software ID: 12000229

Software Version: 2012v2.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT MANAGER FEES	50,559	50,559	0	0

TY 2012 Taxes Schedule

Name: FLOWERREE FOUNDATION

EIN: 93-6034207

Software ID: 12000229

Software Version: 2012v2.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
REAL ESTATE TAXES	491			491
FOREIGN TAXES	795	795		
FEDERAL EXCISE TAXES	3,358			

10/8/2013

ATTACHMENT 2
FORM 990-PF, PART II, LINE 13
INVESTMENTS - OTHER

OTHER PUBLICLY TRADED SECURITIES	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
KINDER MORGAN	COST	$ 120,475	$ 302,564
MAGELLAN MIDSTREAM	COST	123,080	272,702
NUSTAR ENERGY	COST	36,689	40,526
BUCKEYE PARTNERS	COST	83,787	115,796
ENBRIDGE ENERGY PARTNERS	COST	59,957	102,728
ENTERPRISE PRODUCTS PARTNERS	COST	99,871	284,755
ONEOK PARTNERS	COST	56,638	221,035
PLAINS ALL AMERICAN	COST	55,751	120,157
	TOTAL	$ 636,249	$ 1,460,263

FLOWERREE FOUNDATION

FORM 990-PF, PART IV, LN. 1a & 1b

Capital Gains and Losses for Tax of Investment Income

SHORT TERM TRANSACTIONS

Description	Quantity	Date Acquired	Date Sold	Sales Price	Carrying Book Basis	Gain/Loss	Investment Basis	Gain/Loss
ALLSCRIPTS HEALTHCARE SOLUTIONS, INC	370 0000	07/18/2011	05/31/2012	4,057 89	6,831 05	(2,773 16)	6,831 05	(2,773 16)
AMERICAN EXPESS CR MTN	10,000 0000	03/21/2012	06/06/2012	10,113 50	9,973 79	139 71	9,973 79	139 71
BEMIS INC	193 0000	VAR	07/11/2012	5,852 77	6,583 31	(730 54)	6,583 31	(730 54)
BIO RAD LABS INC CL A	50 0000	03/06/2012	12/12/2012	5,254 25	4,999 18	255 07	4,999 18	255 07
CHESAPEAKE ENERGY CORP DTD	50,000 0000	01/27/2012	05/15/2012	40,000 00	44,295 58	(4,295 58)	44,295 58	(4,295 58)
COCA-COLA CO	10,000 0000	03/09/2012	06/06/2012	10,111 70	9,977 51	134 19	9,977 51	134 19
DELL INC COMMON	263 0000	VAR	05/25/2012	3,268 36	4,426 21	(1,157 85)	4,426 21	(1,157 85)
DUKE ENERGY CORP NOTE RECEIVABLE	N/A	VAR	01/04/2012	31,361 28	31,361 28	-	31,361 28	-
FISERV COMMON	54 0000	07/18/2011	03/06/2012	3,568 20	3,291 97	276 23	3,291 97	276 23
FNMA	20,000 0000	02/16/2012	06/06/2012	19,935 20	19,886 40	48 80	19,886 40	48 80
FHLMC MTN	10,000 0000	VAR	06/06/2012	10,295 22	9,987 30	307 92	9,987 30	307 92
GRAND CANYON EDUCATION INC	67 0000	07/11/2012	09/20/2012	1,573 02	1,423 57	149 45	1,423 57	149 45
HARSCO CORP COMMON	2,700 0000	07/28/2011	05/07/2012	52,893 16	77,550 75	(24,657 59)	77,550 75	(24,657 59)
IBM CORP	10,000 0000	01/20/2012	06/06/2012	10,041 60	10,065 40	(23 80)	10,065 40	(23 80)
ILLUMINA INC COMMON	91 0000	07/18/2011	02/07/2012	4,681 63	6,600 46	(1,918 83)	6,600 46	(1,918 83)
METLIFE INC	0 6000	10/11/2012	10/31/2012	21 05	20 15	0 90	20 15	0 90
MONDELEZ INTERNATIONAL INC	88 0000	03/16/2012	12/21/2012	2,260 11	2,199 28	60 83	2,199 28	60 83
PEPSICO INC	5,000 0000	02/29/2012	06/06/2012	4,980 30	4,997 98	(17 68)	4,997 98	(17 68)
PHILLIPS 66	0 5000	07/11/2011	05/04/2012	16 85	17 91	(1 06)	17 91	(1 06)
PROCTER & GAMBLE CO	5,000 0000	02/01/2012	06/06/2012	4,977 15	4,965 62	11 53	4,965 62	11 53
QUALITY SYSTEMS INC COMMON	82 0000	07/18/2011	03/13/2012	3,519 99	3,537 60	(17 61)	3,537 60	(17 61)
SOUTHERN COMPANY COMMON	529 0000	07/11/2011	01/06/2012	23,514 01	21,203 59	2,310 42	21,203 59	2,310 42
STARBUCKS CORP COMMON	25 0000	07/18/2011	07/11/2012	1,296 41	997 06	299 35	997 06	299 35
STARBUCKS CORP COMMON	44 0000	07/18/2011	02/07/2012	2,121 53	1,754 82	366 71	1,754 82	366 71
STRAYER EDUCATION INC	15 0000	07/18/2011	07/11/2012	1,515 85	2,076 49	(560 64)	2,076 49	(560 64)
TOTAL SA SPONSORED ADR	298 0000	07/11/2011	03/28/2012	15,049 58	16,521 87	(1,472 29)	16,521 87	(1,472 29)
TOYOTA MTR CRED MTN	15,000 0000	11/14/2011	06/11/2012	15,159 00	14,973 10	185 90	14,973 10	185 90
U S BANCORP MTN	10,000 0000	10/27/2011	03/05/2012	10,281 60	9,975 90	305 70	9,975 90	305 70
U S BANCORP MTN	5,000 0000	02/28/2012	06/06/2012	5,103 60	4,996 50	107 10	4,996 50	107 10
U S TREASURY NOTES	10,000 0000	06/23/2011	03/13/2012	11,599 18	11,138 71	460 47	11,138 71	460 47
U S TREASURY NOTES	10,000 0000	06/23/2011	06/06/2012	11,742 54	11,138 71	603 83	11,138 71	603 83
U S TREASURY NOTES	5,000 0000	03/12/2012	06/06/2012	5,205 06	5,002 95	202 11	5,002 95	202 11
U S TREASURY NOTES	40,000 0000	12/19/2011	06/06/2012	40,448 30	40,092 32	355 98	40,092 32	355 98
WAL-MART STORES INC	20,000 0000	10/24/2011	06/06/2012	21,510 20	20,796 80	713 40	20,796 80	713 40
WALT DISNEY CO MTN	5,000 0000	02/09/2012	06/11/2012	4,966 95	4,955 00	11 95	4,955 00	11 95
TOTAL SHORT TERM GAINS / (LOSSES)				**398,297 04**	**428,616 12**	**(30,319 08)**	**428,616 12**	**(30,319 08)**

FLOWERREE FOUNDATION
FORM 990-PF, PART IV, LN. 1a & 1b

Capital Gains and Losses for Tax of Investment Income

LONG TERM TRANSACTIONS

Description	Quantity	Date Acquired	Date Sold	Sales Price	Carrying Book Basis	Gain/Loss	Investment Basis	Gain/Loss
ABBOTT LABORATORIES	25,000 0000	04/21/2009	06/06/2012	25,544 75	27,394 00	(1,849 25)	27,394 00	(1,849 25)
ADOBE SYSTEMS COMMON	100 0000	07/18/2011	12/24/2012	3,772 67	2,906 25	866 42	2,906 25	866 42
ANSYS INC	14 0000	07/18/2011	09/20/2012	1,023 07	745 96	277 11	745 96	277 11
AT&T INC	569 0000	05/01/2006	05/07/2012	18,775 21	16,859 76	1,915 45	14,953 32	3,821 89
BOEING CO COM	554 0000	VAR	08/24/2012	39,150 92	40,925 28	(1,774 36)	40,215 87	(1,064 95)
CATERPILLAR INC	262 0000	VAR	08/10/2012	23,060 34	23,674 19	(613 85)	25,047 00	(1,986 66)
CEPHEID INC	47 0000	07/18/2011	09/20/2012	1,851 17	1,501 25	349 92	1,501 25	349 92
CHESAPEAKE ENERGY CORP COMMON	3,000 0000	11/08/2010	04/19/2012	53,775 91	66,847 50	(13,071 59)	66,847 50	(13,071 59)
COCA COLA CO COM	956 0000	VAR	08/24/2012	36,711 21	31,700 79	5,010 42	31,700 79	5,010 42
COMCAST CORP	10,000 0000	06/17/2009	06/06/2012	11,840 60	9,978 50	1,862 10	9,978 50	1,862 10
ECOLAB INC COM	16 0000	07/18/2011	12/03/2012	1,151 45	891 08	260 37	891 08	260 37
EQUITY RESIDENTIAL	574 0000	VAR	08/24/2012	34,873 40	33,230 97	1,642 43	33,230 97	1,642 43
FNMA	30,000 0000	07/24/2009	06/06/2012	35,810 64	32,470 77	3,339 87	32,470 77	3,339 87
FNMA	50,000 0000	VAR	06/06/2012	58,859 50	55,491 03	3,368 47	55,491 03	3,368 47
GEN ELEC CAP CRP MTN	25,000 0000	03/10/2010	06/06/2012	25,286 50	25,358 00	(71 50)	25,358 00	(71 50)
GEORGIA GULF CORP	720 0000	08/20/1993	01/13/2012	23,743 34	546,155 53	(522,412 19)	62,287 68	(38,544 34)
GOLDMAN SACHS GP	10,000 0000	07/24/2009	06/06/2012	10,602 20	10,418 20	184 00	10,418 20	184 00
HARSCO CORP COMMON	300 0000	12/07/2010	05/07/2012	5,877 02	8,677 50	(2,800 48)	7,994 58	(2,117 56)
HONEYWELL INTL	15,000 0000	04/21/2009	03/12/2012	17,646 15	15,113 70	2,532 45	15,113 70	2,532 45
HONEYWELL INTL	15,000 0000	04/21/2009	06/06/2012	17,917 50	15,113 70	2,803 80	15,113 70	2,803 80
IBM CORP	25,000 0000	04/21/2009	01/20/2012	25,936 00	26,734 50	(798 50)	26,734 50	(798 50)
KINDER MORGAN MANAGEMENT LLC	0 4647	05/01/2006	11/21/2012	33 25		33 25		33 25
KINDER MORGAN MANAGEMENT LLC	0 0245	05/01/2006	08/30/2012	1 81		1 81		1 81
KINDER MORGAN MANAGEMENT LLC COMMON	0 1378	05/01/2006	06/22/2012	9 60		9 60		9 60
KINDER MORGAN MANAGEMENT LLC COMMON	0 8387	05/01/2006	03/02/2012	68 27		68 27		68 27
KRAFT FOODS GROUP INC	0 3333	07/11/2011	10/24/2012	15 33	12 42	2 91	12 42	2 91
KRAFT FOODS INC CL A COMMON	570 0000	05/21/2008	05/07/2012	22,404 83	17,461 72	4,943 11	18,136 30	4,268 53
MONDELEZ INTERNATIONAL INC	1,335 0000	05/21/2008	12/21/2012	34,286 83	29,682 74	4,604 09	29,960 39	4,326 44
MORGAN STANLEY GROUP INC	548 0000	VAR	08/10/2012	7,936 84	13,289 62	(5,352 78)	13,289 62	(5,352 78)
PHILLIPS 66	132 0000	01/25/2011	08/24/2012	5,427 15	4,562 64	864 51	4,562 64	864 51
PORTFOLIO RECOVERY ASSOCIATES	7 0000	07/18/2011	09/20/2012	712 00	556 03	155 97	556 03	155 97
PPG INDUSTRIES COMMON	180 0000	VAR	08/24/2012	19,614 31	15,873 11	3,741 20	15,873 11	3,741 20
QIAGEN N V	136 0000	07/18/2011	12/12/2012	2,420 51	2,430 65	(10 14)	2,430 65	(10 14)
SCANA CORP NEW COMMON	507 0000	07/24/2009	05/07/2012	23,112 40	17,096 14	6,016 26	17,965 95	5,146 45
SOUTHERN COPPER CORP COMMON	0 6398	07/11/2011	04/10/2012	19 22	25 28	(6 06)	25 28	(6 06)
SUPERVALU INC COMMON	1,657 0000	VAR	07/13/2012	4,266 52	14,394 95	(10,128 43)	14,394 95	(10,128 43)
SYSCO CORP COMMON	128 0000	05/01/2006	12/24/2012	4,075 11	3,935 03	140 08	3,935 03	140 08

FLOWERREE FOUNDATION
FORM 990-PF, PART IV, LN. 1a & 1b

Capital Gains and Losses for Tax of Investment Income

LONG TERM TRANSACTIONS - CONTINUED

Description	Quantity	Date Acquired	Date Sold	Sales Price	Carrying Book Basis	Gain/Loss	Investment Basis	Gain/Loss
TAIWAN SEMICONDUCTOR SPON ADR	998 0000	VAR	08/24/2012	14,226 68	12,822 11	1,404 57	12,822 11	1,404 57
TIME WARNER INC	5,000 0000	03/10/2010	03/22/2012	5,505 75	4,937 29	568 46	4,937 29	568 46
TIME WARNER INC	20,000 0000	03/10/2010	06/06/2012	22,326 00	19,753 30	2,572 70	19,753 30	2,572 70
TOTAL SA SPONSORED ADR	158 0000	01/25/2011	03/28/2012	7,979 31	9,153 34	(1,174 03)	9,153 34	(1,174 03)
U S TREASURY NOTES	20,000 0000	04/21/2009	02/03/2012	22,190 56	22,521 96	(331 40)	22,521 96	(331 40)
U S TREASURY NOTES	20,000 0000	04/21/2009	06/06/2012	23,485 07	21,886 02	1,599 05	21,886 02	1,599 05
U S TREASURY NOTES	40,000 0000	VAR	06/06/2012	43,818 62	44,930 43	(1,111 81)	44,930 43	(1,111 81)
V F CORP	226 0000	VAR	08/24/2012	33,915 89	22,957 23	10,958 66	22,957 23	10,958 66
WACHOVIA CORP MTN	25,000 0000	06/18/2010	06/06/2012	26,017 00	26,985 50	(968 50)	26,985 50	(968 50)
CAPITAL GAIN DIVIDENDS				5,625 00		5,625 00		
TOTAL LONG TERM GAINS/ (LOSSES)				**802,703 41**	**1,297,455 97**	**(494,752 56)**	**813,484 20**	**(16,405 79)**
TOTAL INVESTMENT GAINS / (LOSSES)				**1,201,000 45**		**(525,071 64)**	**1,242,100 32**	**(46,724 87)**

93-6034207

FLOWERREE FOUNDATION
CONTRIBUTIONS PAID
2012

	DATE	RELIGIOUS	EDUCATIONAL	GENERAL & WELFARE
ALZHEIMER'S ASSOCIATION	06 25 12			150
AMERICAN HEART ASSOCIATION	08 13 12			250
AMERICARES	03 14 12			250
AMERICARES	10 24 12			250
AMERICARES	11 23 12			250
BEYOND BATTEN DISEASE FOUNDATION	01 25 12			500
BEYOND BATTEN DISEASE FOUNDATION	05 29 12			2,500
BLANCHET HOUSE OF HOSPITALITY	05 29 12			250
BLANCHET HOUSE OF HOSPITALITY	09 19 12			350
CENTRAL OREGON SYMPHONY ASSOCIATION	07 30 12			1,000
CHRIST CHURCH EPISCOPAL PARISH	03 14 12	1,000		
CHRIST CHURCH EPISCOPAL PARISH	08 29 12	10,000		
CHRIST CHURCH EPISCOPAL PARISH	10 24 12	10,000		
CHRIST CHURCH EPISCOPAL PARISH	11 28 12	9,000		
CHRIST CHURCH EPISCOPAL PARISH	12 24 12	9,000		
CHRISTMAS VALLEY FOUNDATION	05 04 12			20,000
CHRISTMAS VALLEY FOUNDATION	11 23 12			5,000
CHROHN'S & COLITIS FOUNDATION OF AMERICA	12 04 12			10,000
CHURCH OF THE HOLY COMMUNION	12 04 12	10,000		
FRIENDS OF KALORAMA	12 24 12			1,000
GOOD SAMARITAN FOUNDATION	03 14 12			3,000
GOOD SAMARITAN FOUNDATION	09 10 12			25,000
HISTORIC CAROUSEL	10 31 12			250
HISTORIC CAROUSEL & MUSEUM	05 04 12			250
HOYT ARBORETUM	01 25 12			250
HOYT ARBORETUM	07 09 12			350
JEANERETTE LANDMARK SOCIETY	12 17 12			2,500
LEGACY HEALTH	02 03 12			1,500
OHSU - CENTER FOR HEALING	01 25 12			5,000
OHSU - CENTER FOR HEALTH & HEALING	12 24 12			5,000
OHSU - DEPARTMENT OF NEUROLOGY	12 24 12			5,000
OLALLA CENTER	12 24 12			10,000
OLALLA CENTER FOR CHILDREN & FAMILIES	09 15 12			10,000
OREGON HISTORICAL SOCIETY	05 04 12			200
OREGON PUBLIC BROADCASTING	06 25 12			100
PAPER DISCOVERY CENTER	11 23 12			1,000
PAPER INDUSTRY INTERNATIONAL HALL OF FAME	01 25 12			1,000
PAPER INDUSTRY INTERNATIONAL HALL OF FAME	06 25 12			1,500
PAPER INDUSTRY INTERNATIONAL HALL OF FAME	12 12 12			1,000
PORTLAND ART MUSEUM	12 04 12			10,000
PORTLAND CHAPTER ARS	01 25 12			3,500
PORTLAND CHAPTER ARS	03 26 12			1,500
PORTLAND OPERA	10 05 12			5,000
SEAMAN'S CHURCH INSTITUTE	12 04 12	5,000		
THE SALVATION ARMY	11 23 12			500
THE TULANE ASSOCIATES	01 25 12		1,000	
UNION GOSPEL MISSION	06 25 12	350		
UNION GOSPEL MISSION	10 12 12	250		
UNION GOSPEL MISSION	10 31 12	300		
UNION GOSPEL MISSION	12 12 12	500		
WORLD FORESTRY CENTER	06 25 12			2,000
		55,400	1,000	137,150

TOTAL CONTRIBUTIONS MADE 193,550

10 8 2013

ATTACHMENT 1
FORM 990-PF, PART II, LINE 10B
INVESTMENTS - CORPORATE STOCKS

CORPORATE STOCKS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
NEWMARKET (FM ETHYL)	COST	$ 10.792	$ 372.324
KINDER MORGAN MANAGEMENT	COST	24.996	35.164
PLUM CREEK TIMBER CO INC	COST	341.790	589.322
3M COMPANY	COST	153.227	169.916
ALTRIA GROUP	COST	22.744	29.051
BRISTOL-MEYERS SQUIBB	COST	33.173	34.871
CHEVRON CORP	COST	55.839	64.235
CONOCO PHILLIPS	COST	213.229	290.820
EI DUPONT DE NEMOURS	COST	55.942	48.442
EXXON MOBIL	COST	91.326	112.428
HEWLETT-PACKARD	COST	78.086	28.500
JOHNSON & JOHNSON	COST	41.896	44.584
JP MORGAN CHASE	COST	184.006	188.100
KRAFT FOODS	COST	32.001	36.376
LILLY ELI & COMPANY	COST	42.889	57.754
MERCK & CO	COST	43.617	50.438
PACKAGING CORP OF AMERICA	COST	12.434	17.696
PHILLIPS 66	COST	62.654	126.113
SHAW COMMUNICATIONS	COST	43.509	45.960
SYSCO CORP	COST	20.051	20.832
UNILEVER PLC	COST	70.632	89.017
AMERICAN CAMPUS COMMUNITIES INC	COST	29.330	38.888
AMGEN INC DTD 8 1 2006 0 375% 2 1 2013	COST	49.165	55.969
ANSYS INC COMMON	COST	5.101	6.263
APPLE	COST	27.825	266.087
ASTRAZENECA PLC SPONSORED ADR	COST	91.396	94.540
ATHENAHEALTH INC	COST	5.563	5.350
BEACON ROOFING SUPPLY INC COMMON	COST	5.581	9.385
BIO-REFERENCE LABORATORIES INC COMMON	COST	3.964	5.669
BURBERRY GROUP PLC SPONSORED	COST	5.062	5.138
CABOT MICROELECTRONICS CORP COMMON	COST	4.839	3.977
CENTURYLINK INC	COST	60.167	58.054
CEPHEID INC COMMON	COST	10.126	10.700
CHEMED CORPORATION COMMON	COST	7.482	7.888
CISCO SYSTEMS COMMON	COST	4.152	5.246
CLOROX COMPANY	COST	16.215	16.401
CONCUR TECHNOLOGIES INC COMMON	COST	3.008	5.064
COSTAR GROUP INCORPORATED	COST	5.249	5.809
CREE INC COMMON	COST	3.078	4.078
DARDEN RESTAURANTS INC COM	COST	16.370	14.107
DEALERTRACK TECHNOLOGY	COST	5.166	5.026
DOMINION RESOURCES INC	COST	14.909	16.576
ECOLAB COMMON	COST	7.232	10.210
ENCANA CORP	COST	54.573	59.280
ENBRIDGE INC	COST	37.934	53.197
FASTENAL CO	COST	7.766	10.636
FISERV	COST	5.730	7.429
GALLAGHER ARTHUR J & CO	COST	31.080	37.387
GENERAL ELECTRIC COMPANY	COST	48.818	49.159
GENTEX CORP	COST	9.308	5.825

2012	FEDERAL ATTACHMENTS	93-6034207

FLOWERREE FOUNDATION

10 8 2013

ATTACHMENT 1
FORM 990-PF, PART II, LINE 10B
INVESTMENTS - CORPORATE STOCKS

CORPORATE STOCKS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
GLACIER BANCORP INC	COST	23.307	23.683
GOOGLE INC CLASS A	COST	4.678	5.659
GRAND CANYON EDUCATION INC	COST	4.824	6.149
H&R BLOCK COMMON	COST	16.122	18.273
HEINZ H J COMPANY	COST	29.262	32.589
HORMEL FOODS CORP	COST	6.119	6.460
IHS INC-CLASS A	COST	5.588	6.720
INNERWORKINGS INC	COST	1.613	2.742
INTEL CORP	COST	22.649	20.888
IPC THE HOSPITALIST CO	COST	6.635	5.599
JOHNSON CONTROLS	COST	5.385	4.048
LEGGITT & PLATT INC	COST	16.321	18.618
LINEAR TECHNOLOGY CORP COM	COST	3.145	3.567
LKQ CORP	COST	8.531	13.926
MATTEL	COST	29.453	41.674
MAXIM INTEGRATED PRODS INC COM	COST	16.277	16.934
MDU RESOURCES GROUP	COST	3.149	3.037
MDC HOLDINGS INC	COST	20.542	22.277
MEDNAX. INC	COST	9.010	10.020
METLIFE INC	COST	41.639	46.478
METLIFE INC CONVERTIBLE TO 1 1293	COST	83.319	88.940
MICROCHIP TECHNOLOGY INC COMMON	COST	23.754	21.184
MICROSOFT CORP COMMON	COST	8.886	9.001
MONDELEZ INTERNATIONAL INC	COST	111.331	101.813
NATIONAL INSTRS CORP COMMON	COST	10.346	9.188
NEOGEN CORPORATION	COST	4.513	5.257
NEW YORK COMMUNITY BANCORP INC	COST	47.531	39.274
NEXTERA ENERGY INC	COST	16.147	19.927
OLD REPUBLIC INTL CORP	COST	32.569	33.079
ONEBEACON INSURANCE GROUP LTD	COST	22.769	23.032
PATTERSON COMPANIES INC	COST	4.692	4.929
PAYCHEX INC COMMON	COST	31.941	31.411
PEOPLES UNITED FINANCIAL. INC	COST	39.569	35.533
PERRIGO CO COMMON	COST	4.593	4.785
PHILIP MORRIS INTERNATIONAL INC	COST	29.782	38.642
PORTFOLIO RECOVERY ASSOCIATES INC	COST	4.410	5.770
POTLATCH HOLDINGS INC	COST	109.304	117.447
POWER INTEGRATIONS INC	COST	3.965	3.663
PPL CORPORATION 8 75% PFD	COST	104.666	107.460
PRAXAIR COMMON	COST	6.524	6.676
QIAGEN N V ORD	COST	5.022	5.100
QUALCOMM INC COM	COST	4.989	5.072
RITCHIE BROS AUCTIONEERS INC COMMON	COST	3.882	2.925
ROCHE HOLDINGS LTD SPONSORED ADR	COST	3.250	3.939
ROCKWOOD HOLDINGS INC	COST	5.252	4.600
ROLLINS INCORPORATED COMMON	COST	5.471	5.841
ROPER INDUSTRIES NEW COMMON	COST	5.149	7.023
ROYAL DUTCH SHELL PLC	COST	24.280	23.719
RPM INTERNATIONAL INC COMMON	COST	44.244	56.019
SCHLUMBERGER LIMITED	COST	2.662	2.495

FLOWERREE FOUNDATION

10 8 2013

ATTACHMENT 1
FORM 990-PF, PART II, LINE 10B
INVESTMENTS - CORPORATE STOCKS

CORPORATE STOCKS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SONOCO PRODUCTS COMPANY COMMON	COST	24,233	20,365
SOUTHERN COMPANY COMMON	COST	27,011	29,582
SOUTHERN COPPER CORP COMMON	COST	25,725	27,297
SPECTRA ENERGY CORP	COST	37,322	38,250
STAPLES COMMON	COST	5,079	3,819
STARBUCKS CORP COMMON	COST	11,545	15,553
STARWOOD PROPERTY TRUST	COST	24,445	24,085
STERICYCLE INC COMMON	COST	12,346	12,779
TARGET CORP COMMON	COST	4,163	4,852
TECHNE CORP COMMON	COST	8,453	7,381
TELEFONICA S A SPONSORED ADR	COST	-	6,071
ULTIMATE SOFTWARE GROUP INC COMMON	COST	2,727	5,570
UNITED NATURAL FOODS INC	COST	3,569	4,394
UNITED PARCEL SERVICE INC CLASS BCOMMON	COST	23,743	23,741
VERIZON COMMUNICATIONS COMMON	COST	31,369	37,212
VMWARE INC-CLASS A	COST	7,444	6,872
WAL MART STORES COMMON	COST	4,005	5,117
WASTE MANAGEMENT INC DEL COMMON	COST	29,966	27,026
WELLS FARGO ADV SHORT TERM HY BOND	COST	326,666	328,281
WESTAR ENERGY INC COMMON	COST	15,231	16,371
WISDOMTREE EMERGING MARKETS EQUITY	COST	263,057	285,950
	TOTAL	$ 4,178,181	$ 5,388,934

Form 990PF Part VIII Line 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
HAZEL J WIENEKE 805 SW BROADWAY SUITE 2290 PORTLAND, OR 97205	ASST SECRETARY 3 00	0		
DAVID M MUNRO 111 SW FIFTH AVENUE STE 3400 PORTLAND, OR 97204	Dir/ SECRETARY 0 00	0		
ELAINE D FLOWERREE 1322 SE LAVA DRIVE MILWAUKIE, OR 97222	Dir/ V PRES 0 00	0		
DAVID R FLOWERREE 5815 WINTERTHUR LANE NW ATLANTA, GA 30328	Dir/ V PRES 1 00	0		
JOHN H FLOWERREE PO BOX 1071 BEND, OR 97709	Dir/ V PRES 1 00	0		
ANN D FLOWERREE 1101 S ARLINGTON RIDGE RD 817 ARLINGTON, VA 22202	Dir/ PRESIDENT 2 00	0		