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

**2010**

**For calendar year 2010, or tax year beginning , and ending**

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

Name of foundation
JOE E DAVIS FOUNDATION

**A Employer identification number**
75-2497580

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
PO BOX 5467

B Telephone number
325-692-8200

City or town, state, and ZIP code
ABILENE, TX 79608

C If exemption application is pending, check here ▶ ☐
D 1. Foreign organizations, check here ▶ ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐
E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶$ 1,961,926.

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

**Part I Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))

| | | (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 ▶ ☒ if the foundation is not required to attach Sch B | | | | |
| | 3 Interest on savings and temporary cash investments | 9,396. | 8,915. | | STATEMENT 2 |
| | 4 Dividends and interest from securities | 33,924. | 33,924. | | STATEMENT 3 |
| | 5a Gross rents | | | | |
| | b Net rental income or (loss) | | | | |
| | 6a Net gain or (loss) from sale of assets not on line 10 | 112,083. | | | STATEMENT 1 |
| | b Gross sales price for all assets on line 6a 954,027. | | | | |
| | 7 Capital gain net income (from Part IV, line 2) | | 113,390. | | |
| | 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 | | | | |
| | 12 **Total.** Add lines 1 through 11 | 155,403. | 156,229. | | |
| Operating and Administrative Expenses | 13 Compensation of officers, directors, trustees, etc | 0. | 0. | | 0. |
| | 14 Other employee salaries and wages | | | | |
| | 15 Pension plans, employee benefits | | | | |
| | 16a Legal fees | | | | |
| | b Accounting fees STMT 4 | 2,930. | 1,465. | | 1,465. |
| | c Other professional fees STMT 5 | 17,388. | 17,388. | | 0. |
| | 17 Interest | | | | |
| | 18 Taxes | | | | |
| | 19 Depreciation and depletion | | | | |
| | 20 Occupancy | | | | |
| | 21 Travel, conferences, and meetings | | | | |
| | 22 Printing and publications | | | | |
| | 23 Other expenses STMT 6 | 3,105. | 1,552. | | 1,552. |
| | 24 **Total operating and administrative expenses.** Add lines 13 through 23 | 23,423. | 20,405. | | 3,017. |
| | 25 Contributions, gifts, grants paid | 144,777. | | | 144,777. |
| | 26 **Total expenses and disbursements.** Add lines 24 and 25 | 168,200. | 20,405. | | 147,794. |
| | 27 Subtract line 26 from line 12: | | | | |
| | a Excess of revenue over expenses and disbursements | -12,797. | | | |
| | b **Net investment income** (if negative, enter -0-) | | 135,824. | | |
| | c **Adjusted net income** (if negative, enter -0-) | | | N/A | |

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LHA **For Paperwork Reduction Act Notice, see the instructions.**

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12330728 756800 13915 2010.04000 JOE E DAVIS FOUNDATION 13915__1

**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 | 97,371. | 118,474. | 118,474. |
| | 2 Savings and temporary cash investments | | | |
| | 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 STMT 7 | 32,798. | 56,470. | 56,484. |
| | b Investments - corporate stock STMT 8 | 1,405,208. | 1,311,862. | 1,547,916. |
| | c Investments - corporate bonds STMT 9 | 128,608. | 124,162. | 135,987. |
| | 11 Investments - land, buildings, and equipment basis ▶ | | | |
| | Less accumulated depreciation ▶ | | | |
| | 12 Investments - mortgage loans | | | |
| | 13 Investments - other STMT 10 | 29,697. | 78,766. | 103,065. |
| | 14 Land, buildings, and equipment: basis ▶ | | | |
| | Less accumulated depreciation ▶ | | | |
| | 15 Other assets (describe ▶ STATEMENT 11) | 51,468. | 0. | 0. |
| | 16 **Total assets** (to be completed by all filers) | 1,745,150. | 1,689,734. | 1,961,926. |
| **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 ▶ ) | 42,619. | 0. | |
| | 23 **Total liabilities** (add lines 17 through 22) | 42,619. | 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 ▶ [X] 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 | 1,702,531. | 1,689,734. | |
| | 30 **Total net assets or fund balances** | 1,702,531. | 1,689,734. | |
| | 31 **Total liabilities and net assets/fund balances** | 1,745,150. | 1,689,734. | |

**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 | 1,702,531. |
| 2 Enter amount from Part I, line 27a | 2 | -12,797. |
| 3 Other increases not included in line 2 (itemize) ▶ | 3 | 0. |
| 4 Add lines 1, 2, and 3 | 4 | 1,689,734. |
| 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 | 1,689,734. |

## 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 | MERRILL LYNCH ACCOUNT 2064 | P | | |
| b | MERRILL LYNCH ACCOUNT 2065 | P | | |
| c | MERRILL LYNCH ACCOUNT 2066 | P | | |
| d | UBS M2 FUND PAYOUT | P | | |
| e | CAPITAL GAINS DIVIDENDS | | | |

| | (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 | 712,470. | | 676,485. | 35,985. |
| b | 120,000. | | 95,744. | 24,256. |
| c | 78,478. | | 68,408. | 10,070. |
| d | 42,619. | | | 42,619. |
| e | 460. | | | 460. |

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 | | | | 35,985. |
| b | | | | 24,256. |
| c | | | | 10,070. |
| d | | | | 42,619. |
| e | | | | 460. |

| | | | |
|---|---|---|---|
| 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 | 113,390. |
| 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)) |
|---|---|---|---|
| 2009 | 103,308. | 1,816,688. | .056866 |
| 2008 | 85,092. | 2,072,526. | .041057 |
| 2007 | 43,780. | 2,505,743. | .017472 |
| 2006 | 123,662. | 2,224,132. | .055600 |
| 2005 | 116,209. | 1,880,595. | .061794 |

| | | | |
|---|---|---|---|
| 2 | **Total** of line 1, column (d) | 2 | .232789 |
| 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 | .046558 |
| 4 | Enter the net value of noncharitable-use assets for 2010 from Part X, line 5 | 4 | 1,946,875. |
| 5 | Multiply line 4 by line 3 | 5 | 90,643. |
| 6 | Enter 1% of net investment income (1% of Part I, line 27b) | 6 | 1,358. |
| 7 | Add lines 5 and 6 | 7 | 92,001. |
| 8 | Enter qualifying distributions from Part XII, line 4 | 8 | 147,794. |

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 ▶ [X] and enter 1% of Part I, line 27b | | 1 | 1,358. |
| **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 | 0. |
| **3** Add lines 1 and 2 | | 3 | 1,358. |
| **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 | 1,358. |
| **6** Credits/Payments: | | | |
| **a** 2010 estimated tax payments and 2009 overpayment credited to 2010 | 6a 314. | | |
| **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 | 314. |
| **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** SEE STATEMENT 12 ▶ | | 9 | 1,044. |
| **10** **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶ | | 10 | |
| **11** Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ▶ 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 | | 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? *If "Yes," attach a detailed description of the activities* | 2 | | X |
| **3** Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *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? *If "Yes," attach the statement required by General Instruction T* | 5 | | X |
| **6** Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? | 6 | X | |
| **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 | X | |
| **8a** Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ TX | | | |
| **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 2010 or the taxable year beginning in 2010 (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 acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? | 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 ▶ JOE E. DAVIS Telephone no. ▶ 325-691-1940

Located at ▶ P. O. BOX 5497, ABILENE, TX ZIP+4 ▶ 79608

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 2010, 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 page 20 of 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 page 22 of the instructions)? N/A | 1b | | |
| | 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 2010? | 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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? ☐ 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 2010 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 2010.)* 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 2010? | 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 | Yes: | No: 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 |
|---|---|---|---|---|
| SEE STATEMENT 15 | | 0. | 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

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**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 | 1,809,369. |
| b | Average of monthly cash balances | | 1b | 167,154. |
| c | Fair market value of all other assets | | 1c | |
| d | **Total** (add lines 1a, b, and c) | | 1d | 1,976,523. |
| 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 | 1,976,523. |
| 4 | Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions) | | 4 | 29,648. |
| 5 | **Net value of noncharitable-use assets** Subtract line 4 from line 3. Enter here and on Part V, line 4 | | 5 | 1,946,875. |
| 6 | **Minimum investment return** Enter 5% of line 5 | | 6 | 97,344. |

**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 | 97,344. |
| 2a | Tax on investment income for 2010 from Part VI, line 5 | 2a 1,358. | | |
| b | Income tax for 2010. (This does not include the tax from Part VI.) | 2b | | |
| c | Add lines 2a and 2b | | 2c | 1,358. |
| 3 | Distributable amount before adjustments. Subtract line 2c from line 1 | | 3 | 95,986. |
| 4 | Recoveries of amounts treated as qualifying distributions | | 4 | 0. |
| 5 | Add lines 3 and 4 | | 5 | 95,986. |
| 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 | 95,986. |

**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 | 147,794. |
| 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 | 147,794. |
| 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 | 1,358. |
| 6 | **Adjusted qualifying distributions.** Subtract line 5 from line 4 | 6 | 146,436. |

**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 2009 | (c) 2009 | (d) 2010 |
|---|---|---|---|---|
| 1 Distributable amount for 2010 from Part XI, line 7 | | | | 95,986. |
| 2 Undistributed income, if any, as of the end of 2010 | | | | |
| a Enter amount for 2009 only | | | 90,279. | |
| b Total for prior years: ______ , ______ , ______ | | 0. | | |
| 3 Excess distributions carryover, if any, to 2010: | | | | |
| a From 2005 | | | | |
| b From 2006 | | | | |
| c From 2007 | | | | |
| d From 2008 | | | | |
| e From 2009 | | | | |
| f **Total** of lines 3a through e | 0. | | | |
| 4 Qualifying distributions for 2010 from Part XII, line 4: ▶ $ 147,794. | | | | |
| a Applied to 2009, but not more than line 2a | | | 90,279. | |
| 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 2010 distributable amount | | | | 57,515. |
| e Remaining amount distributed out of corpus | 0. | | | |
| 5 Excess distributions carryover applied to 2010 (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 2009. Subtract line 4a from line 2a. Taxable amount - see instr. | | | 0. | |
| f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011 | | | | 38,471. |
| 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 2005 not applied on line 5 or line 7 | 0. | | | |
| 9 **Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a | 0. | | | |
| 10 Analysis of line 9: | | | | |
| a Excess from 2006 | | | | |
| b Excess from 2007 | | | | |
| c Excess from 2008 | | | | |
| d Excess from 2009 | | | | |
| e Excess from 2010 | | | | |

**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 2010, 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) 2010 | (b) 2009 | (c) 2008 | (d) 2007 | (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 the 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).)

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

NONE

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

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

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

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

c Any submission deadlines:

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

**Part XV Supplementary Information** (continued)

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

| Recipient<br>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 STATEMENT 16 | | | | |
| **Total** | | | ▶ 3a | 144,777. |
| 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 | 9,396. | |
| 4 Dividends and interest from securities | | | 14 | 33,924. | |
| 5 Net rental income or (loss) from real estate: | | | | | |
| a Debt-financed property | | | | | |
| b Not debt-financed property | | | | | |
| 6 Net rental income or (loss) from personal property | | | | | |
| 7 Other investment income | | | | | |
| 8 Gain or (loss) from sales of assets other than inventory | | | 18 | 112,083. | |
| 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. | | 155,403. | 0. |
| 13 Total Add line 12, columns (b), (d), and (e) | | | | 13 | 155,403. |

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

Joe E Davis | 8/2/2011 | CFO

Signature of officer or trustee | Date | Title

**Paid Preparer Use Only**

| Print/Type preparer's name | Preparer's signature | Date | Check ☐ if self-employed | PTIN |
|---|---|---|---|---|
| DANIEL M. STEWART | Daniel M Stewart CPA | 7/28/11 | | P00415184 |

Firm's name ▶ WEAVER AND TIDWELL, L.L.P. Firm's EIN ▶

Firm's address ▶ 2821 W. 7TH STREET, SUITE 700
FORT WORTH, TX 76107 Phone no. (817)332-7905

FORM 990-PF OTHER ASSETS STATEMENT 11

| DESCRIPTION | BEGINNING OF YR BOOK VALUE | END OF YEAR BOOK VALUE | FAIR MARKET VALUE |
|---|---|---|---|
| UBS M2 PROMISSORY NOTE | 42,619. | 0. | 0. |
| EXCISE TAX ABATEMENT REFUND | 8,849. | 0. | 0. |
| TO FORM 990-PF, PART II, LINE 15 | 51,468. | 0. | 0. |

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# WCMA® Fiscal Statement

## FISCAL YEAR ACTIVITY

| Date | Transaction | Quantity | Description | Price | Debit | Credit |
|---|---|---|---|---|---|---|
| | | | **Other Activity** | | | |
| 01/12/10 | Journal Entry | | PIA ADVISORY FEE | | 3,416 46 | |
| 02/23/10 | Journal Entry | | REFUND/ADJUSTMENT | | | 121 53 |
| 02/23/10 | Journal Entry | | REFUND/ADJUSTMENT | | | 1,006 73 |
| 02/23/10 | Journal Entry | | REFUND/ADJUSTMENT | | | 1,641 42 |
| 02/23/10 | Journal Entry | | REFUND/ADJUSTMENT | | | 1,708 23 |
| 04/06/10 | Journal Entry | | PIA ADVISORY FEE | | 1,715 67 | |
| 07/07/10 | Journal Entry | | PIA ADVISORY FEE | | 1,731 16 | |
| 10/05/10 | Journal.Entry | | PIA ADVISORY FEE | | 1,757 58 | |
| 12/22/10 | Journal Entry | | TR TO 2HH02060 | | 28,109 00 | |
| | | | **Net Total** | | **36,729.87** | **4,477.91** |

## REALIZED CAPITAL GAIN AND LOSS SUMMARY

| Quantity | Security Description | Date of Acquisition | Date of Liquidation | Sale Amount | Cost Basis | Gain or (Loss) |
|---|---|---|---|---|---|---|
| 420 0000 | VANGUARD TOTAL STK MKT | 06/18/09 | 02/10/10 | 22,661 73 | 19,520 88 | 3,140 85 ST |
| 1,387 0000 | ISHARES MSCI GERMANY | 10/05/09 | 02/10/10 | 27,623 28 | 30,013 02 | (2,389 74) ST |
| 4.0000 | ISHARES BARCLAY 7-10 YR | 06/18/09 | 02/10/10 | 361 67 | 354 59 | 7.08 ST |
| 189 0000 | ISHARES IBOXX $ | 07/28/09 | 02/10/10 | 19,694 91 | 19,236 42 | 458 49 ST |
| 28 0000 | ISHARES S&P GSCI COMMDTY | 07/28/09 | 02/10/10 | 810 41 | 820 86 | N/C |
| 205 0000 | CLAYMORE BNY BRIC ETF | 06/18/09 | 02/10/10 | 7,714.91 | 6,572 29 | 1,142 62 ST |
| 681 0000 | VANGUARD FTSE ALL WORLD | 06/18/09 | 02/10/10 | 27,409 90 | 24,325 31 | 3,084 59 ST |
| 47.0000 | SPDR S P CHINA | 06/18/09 | 02/10/10 | 3,067.24 | 2,827 89 | 239 35 ST |
| 134 0000 | ISHARES TR | 07/15/09 | 02/10/10 | 13,316 13 | 12,565 41 | 750 72 ST |
| 73 0000 | ISHARES TR | 07/28/09 | 02/10/10 | 7,254.31 | 7,035 74 | 218 57 ST |
| 95 0000 | ISHARES TR | 10/05/09 | 02/10/10 | 9,440 55 | 9,745 10 | (304 55) ST |
| 271 0000 | SPDR DB INTL GOV INFL | 12/17/09 | 02/10/10 | 14,610 34 | 15,272.94 | (662 60) ST |
| 921 0000 | ISHARES TR RUSSELL 2000 | 10/05/09 | 02/10/10 | 54,307 09 | 54,422 90 | (115 81) ST |
| 2,697 0000 | ELEMENTS ROGERS AGRIC TR | 02/10/10 | 05/14/10 | 18,797 77 | 20,038 71 | (1,240 94) ST |
| 1,335 0000 | ISHARES MSCI HONG KONG | 02/10/10 | 06/08/10 | 19,566 50 | 19,784 57 | (218 07) ST |
| 440 0000 | ISHARES MSCI SOUTH KOREA | 02/10/10 | 06/08/10 | 19,400 72 | 19,764 23 | (363 51) ST |
| 646 0000 | ISHARES S&P GSCI COMMDTY | 07/28/09 | 06/08/10 | 17,428 79 | 18,938 53 | N/C |
| 333 0000 | ISHARES TR | 10/05/09 | 06/08/10 | 33,635 79 | 34,159 14 | (523 35) ST |

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JOE E DAVIS FOUNDATION

WCMA® Fiscal Statement

## REALIZED CAPITAL GAIN AND LOSS SUMMARY

| Quantity | Security Description | Date of Acquisition | Date of Liquidation | Sale Amount | Cost Basis | Gain or (Loss) |
|---|---|---|---|---|---|---|
| 551 0000 | WISDOMTREE INVESTMNT INC | 12/17/09 | 06/08/10 | 11,544.57 | 12,106 18 | (561 61) ST |
| 4,601 0000 | ELEMENTS - ROGERS TR | 02/10/10 | 08/20/10 | 33,866 01 | 33,127 20 | 738 81 ST |
| 190 0000 | ISHARES BARCLAYS TIPS BO | 02/10/10 | 08/05/10 | 20,266 09 | 19,902 56 | 363 53 ST |
| 3,337 0000 | GOLDMAN COMM STRAT INSTL | 06/08/10 | 08/20/10 | 18,153 28 | 17,519 25 | 634.03 ST |
| 0 5410 | GOLDMAN COMM STRAT INSTL | 06/30/10 | 08/20/10 | 2 94 | 2 96 | (0.02) ST |
| 1.0000 | GOLDMAN COMM STRAT INSTL | 06/30/10 | 08/20/10 | 5 44 | 5 38 | 0 06 ST |
| 1,686 0000 | ISHARES MSCI JAPAN INDEX | 06/18/09 | 10/05/10 | 16,906 58 | 15,879 93 | 1,026 65 LT |
| 906 0000 | ISHARES MSCI JAPAN INDEX | 07/28/09 | 10/05/10 | 9,085 03 | 8,741.09 | 343.94 LT |
| 113 0000 | ISHARES MSCI JAPAN INDEX | 02/10/10 | 10/05/10 | 1,133 13 | 1,100 62 | 32 51 ST |
| 1,016 0000 | VANGUARD DIVIDEND | 02/10/10 | 10/05/10 | 50,347.64 | 46,126 40 | 4,221 24 ST |
| 394 0000 | GUGGENHEIM BRIC ETF | 06/18/09 | 10/05/10 | 18,211 59 | 12,631 65 | 5,579 94 LT |
| 302 0000 | GUGGENHEIM BRIC ETF | 07/28/09 | 10/05/10 | 13,959.15 | 10,539.80 | 3,419 35 LT |
| 190 0000 | VANGUARD FTSE ALL WORLD | 06/18/09 | 10/05/10 | 8,857.40 | 6,786 81 | 2,070 59 LT |
| 600 0000 | POWERSHARES QQQ TR UNITS | 12/28/09 | 10/05/10 | 29,814 63 | 27,720 00 | 2,094 63 ST |
| 16.0000 | POWERSHARES QQQ TR UNITS | 02/10/10 | 10/05/10 | 795 06 | 684 15 | 110 91 ST |
| 159 0000 | ISHARES IBOXX$ HIGH YIEL | 06/18/09 | 10/05/10 | 14,192 21 | 12,401 17 | 1,791 04 LT |
| 83 0000 | ISHARES IBOXX$ HIGH YIEL | 07/28/09 | 10/05/10 | 7,408 51 | 6,826 75 | 581 76 LT |
| 6 0000 | ISHARES IBOXX$ HIGH YIEL | 02/10/10 | 10/05/10 | 535 56 | 502 60 | 32 96 ST |
| 257 0000 | SPDR S P CHINA | 06/18/09 | 10/05/10 | 20,204 85 | 15,463 15 | 4,741 70 LT |
| 86 0000 | WISDOMTREE INVESTMNT INC | 12/17/09 | 10/05/10 | 1,983 38 | 1,889 54 | 93 84 ST |
| 889 0000 | WISDOMTREE INVESTMNT INC | 02/10/10 | 10/05/10 | 20,502 67 | 19,237 96 | 1,264 71 ST |
| 430.0000 | ISHARES TR RUSSELL 2000 | 06/08/10 | 10/05/10 | 29,632 43 | 26,445 69 | 3,186.74 ST |
| 227 0000 | ISHARES BARCLAY 7-10 YR | 06/18/09 | 11/24/10 | 21,974.40 | 20,123 14 | 1,851 26 LT |
| 125.0000 | ISHARES BARCLAY 7-10 YR | 07/28/09 | 11/24/10 | 12,100.45 | 11,247.78 | 852 67 LT |
| 337.0000 | PIMCO ENHANCED SHORT | 11/24/10 | 12/10/10 | 33,884.78 | 34,074 95 | (190 17) ST |

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# WCMA® Fiscal Statement

## REALIZED CAPITAL GAIN AND LOSS SUMMARY

| Quantity | Security Description | Date of Acquisition | Date of Liquidation | Sale Amount | Cost Basis | Gain or (Loss) |
|---|---|---|---|---|---|---|
| 866 0000 | FIRST EAG GLOBAL CL I | 06/16/09 | 12/22/10 | 39,983 22 | 29,928 96 | 10,054 26 LT |
| 0 3630 | FIRST EAG GLOBAL CL I | 12/17/10 | 12/22/10 | 16.76 | 15.89 | 0 87 ST |
| 3,273 0000 | WF ADV ASSET ALLOC ADMIN | 06/16/09 | 12/22/10 | 39,996 06 | 32,875 75 | 7,120 31 LT |
| 0 3220 | WF ADV ASSET ALLOC ADMIN | 06/18/10 | 12/22/10 | 3 93 | 3 61 | 0 32 ST |
| 2,070 0000 | BLACKROCK GLOBAL ALLOC I | 06/16/09 | 12/22/10 | 39,992.40 | 32,913.00 | 7,079 40 LT |
| 0 3930 | BLACKROCK GLOBAL ALLOC I | 12/21/10 | 12/22/10 | 7 59 | 7 01 | 0 58 ST |

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# WCMA® Fiscal Statement

## FISCAL YEAR ACTIVITY

| Date | Transaction | Quantity | Description | Price | Debit | Credit |
|---|---|---|---|---|---|---|
| | | | **Other Activity** | | | |
| 03/30/10 | Journal Entry | | UMA FEE QTLY ADJ 1Q2010 | | 15 23 | |
| 03/30/10 | Journal Entry | | UMA FEE QTRLY 2Q2010 | | 695 22 | |
| 04/12/10 | Fgn Div Tax | | UNILEVER NV NY REG SHS | | | 11.81 |
| 06/29/10 | Journal Entry | | UMA FEE QTLY ADJ 2Q2010 | | 7 60 | |
| 06/29/10 | Journal Entry | | UMA FEE QTRLY 3Q2010 | | 709 40 | |
| 09/28/10 | Journal Entry | | UMA FEE QTLY ADJ 3Q2010 | | 15 16 | |
| 09/28/10 | Journal Entry | | UMA FEE QTRLY 4Q2010 | | 790 56 | |
| 12/22/10 | Journal Entry | | TR TO 2HH02060 | | 7,701 00 | |
| 12/29/10 | Exchange | | KRAFT FOODS INC | | | 30.00 |
| | | | **Net Total** | | **9,934.17** | **41.81** |

## REALIZED CAPITAL GAIN AND LOSS SUMMARY

| Quantity | Security Description | Date of Acquisition | Date of Liquidation | Sale Amount | Cost Basis | Gain or (Loss) |
|---|---|---|---|---|---|---|
| 8,000 0000 | FHLMC J0 7567 05%2023 COR | 06/15/09 | 01/11/10 | 6,165 84 | 6,059.02 | N/C |
| 1,000 0000 | UNITEDHEALTH GROU 5 37% 16 | 06/16/09 | 02/09/10 | 1,039.02 | 967 50 | 71 52 ST |
| 1,000.0000 | FEDERATED DEPT ST 6.62% 11 | 10/22/09 | 03/24/10 | 1,046 25 | 1,014 22 | 32 03 ST |
| 15,000 0000 | CREDIT SUISSE CMO 2007 | 06/15/09 | 03/17/10 | 13,253 91 | 10,162 50 | 3,091 41 ST |
| 16,000 0000 | COMM CMO 2006 | 06/15/09 | 03/17/10 | 16,745 00 | 12,840 00 | 3,905 00 ST |
| 6,095 0000 | FHLMC J0 7567 05%2023 | 06/15/09 | 03/19/10 | 4,459.22 | 4,314 31 | N/C |
| 4,000 0000 | US TSY 3 125% MAY 15 2019 | 07/20/09 | 04/15/10 | 3,809 84 | 3,827 50 | (17 66) ST |
| 2,000 0000 | US TSY 3 125% MAY 15 2019 | 07/23/09 | 04/15/10 | 1,904 93 | 1,908 13 | (3.20) ST |
| 1,000 0000 | XTO ENERGY INC 6 10% 2036 | 06/16/09 | 07/27/10 | 1,210 15 | 930 00 | 280.15 LT |
| 3,000 0000 | US TSY 2 000% SEP 30 2010 | 10/02/09 | 09/30/10 | 3,000 00 | 3,000 00 | 0 00 |
| 4,000 0000 | US TSY 2 375% MAR 31 2016 | 06/12/09 | 09/10/10 | 4,126 88 | 3,756 25 | 370 63 LT |
| 3,000 0000 | HOME DEPOT INC 5 87% 2036 | 06/16/09 | 10/07/10 | 3,184 68 | 2,590 56 | 594 12 LT |
| 3,000 0000 | HOME DEPOT INC 5 87% 2036 | 10/05/10 | 10/07/10 | 3,184 68 | 3,185 05 | (0 37) ST |
| 2,000 0000 | CONOCOPHILLIPS 4 75% 2014 | 06/12/09 | 10/20/10 | 2,226 60 | 2,052 91 | 173 69 LT |
| 1,000 0000 | CONOCOPHILLIPS 4 75% 2014 | 06/30/09 | 10/20/10 | 1,113 30 | 1,037 08 | 76 22 LT |
| 2,000 0000 | AMERICAN EXPRESS 4 87% 13 | 04/15/10 | 12/21/10 | 2,136 00 | 2,110 44 | 25 56 ST |
| 5,000 0000 | BRISTOL-MYERS SQUIBB | 07/24/07 | 12/28/10 | 4,385 00 | 5 082 77 | (697 77) LT |
| 1,000 0000 | KRAFT FOODS INC 6.25% 2012 | 06/16/09 | 12/29/10 | 1,047.62 | 1,041 23 | 6 39 LT |

Merrill Lynch

JOE E DAVIS FOUNDATION

WCMA® Fiscal Statement

## REALIZED CAPITAL GAIN AND LOSS SUMMARY

| Quantity | Security Description | Date of Acquisition | Date of Liquidation | Sale Amount | Cost Basis | Gain or (Loss) |
|---|---|---|---|---|---|---|
| 1,000 0000 | REED ELSEVIER CAP 7 75% 14 | 06/17/09 | 12/01/10 | 1,155.28 | 1,074 76 | 80 52 LT |
| 179 0000 | LOOM SAY HI INCO OPPOR | 06/12/09 | 12/27/10 | 1,781.05 | 1,453 48 | 327 57 LT |

PLEASE SEE REVERSE SIDE

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

| (A) DESCRIPTION OF PROPERTY | MANNER ACQUIRED | DATE ACQUIRED | DATE SOLD |
|---|---|---|---|
| MERRILL LYNCH ACCOUNT 2064 | PURCHASED | | |

| (B) GROSS SALES PRICE | (C) COST OR OTHER BASIS | (D) EXPENSE OF SALE | (E) DEPREC. | (F) GAIN OR LOSS |
|---|---|---|---|---|
| 712,470. | 677,792. | 0. | 0. | 34,678. |

| (A) DESCRIPTION OF PROPERTY | MANNER ACQUIRED | DATE ACQUIRED | DATE SOLD |
|---|---|---|---|
| MERRILL LYNCH ACCOUNT 2065 | PURCHASED | | |

| (B) GROSS SALES PRICE | (C) COST OR OTHER BASIS | (D) EXPENSE OF SALE | (E) DEPREC. | (F) GAIN OR LOSS |
|---|---|---|---|---|
| 120,000. | 95,744. | 0. | 0. | 24,256. |

| (A) DESCRIPTION OF PROPERTY | MANNER ACQUIRED | DATE ACQUIRED | DATE SOLD |
|---|---|---|---|
| MERRILL LYNCH ACCOUNT 2066 | PURCHASED | | |

| (B) GROSS SALES PRICE | (C) COST OR OTHER BASIS | (D) EXPENSE OF SALE | (E) DEPREC. | (F) GAIN OR LOSS |
|---|---|---|---|---|
| 78,478. | 68,408. | 0. | 0. | 10,070. |

| (A) DESCRIPTION OF PROPERTY | MANNER ACQUIRED | DATE ACQUIRED | DATE SOLD |
|---|---|---|---|
| UBS M2 FUND PAYOUT | PURCHASED | | |

| (B) GROSS SALES PRICE | (C) COST OR OTHER BASIS | (D) EXPENSE OF SALE | (E) DEPREC. | (F) GAIN OR LOSS |
|---|---|---|---|---|
| 42,619. | 0. | 0. | 0. | 42,619. |

| | |
|---|---|
| CAPITAL GAINS DIVIDENDS FROM PART IV | 460. |
| TOTAL TO FORM 990-PF, PART I, LINE 6A | 112,083. |

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 2

| SOURCE | AMOUNT |
|---|---|
| IRS | 562. |
| MERILL LYNCH 2066 | 8,834. |
| TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A | 9,396. |

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 3

| SOURCE | GROSS AMOUNT | CAPITAL GAINS DIVIDENDS | COLUMN (A) AMOUNT |
|---|---|---|---|
| FOREIGN DIVIDENDS | 12. | 0. | 12. |
| MERRILL LYNCH 2060 | 28. | 0. | 28. |
| MERRILL LYNCH 2064 | 15,103. | 460. | 14,643. |
| MERRILL LYNCH 2065 | 13,629. | 0. | 13,629. |
| MERRILL LYNCH 2066 | 5,597. | 0. | 5,597. |
| UBS 15977 | 15. | 0. | 15. |
| TOTAL TO FM 990-PF, PART I, LN 4 | 34,384. | 460. | 33,924. |

FORM 990-PF ACCOUNTING FEES STATEMENT 4

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|---|---|---|---|---|
| ACCOUNTING | 2,930. | 1,465. | | 1,465. |
| TO FORM 990-PF, PG 1, LN 16B | 2,930. | 1,465. | | 1,465. |

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 5

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|---|---|---|---|---|
| INVESTMENT MANAGEMENT FEES | 17,388. | 17,388. | | 0. |
| TO FORM 990-PF, PG 1, LN 16C | 17,388. | 17,388. | | 0. |

FORM 990-PF OTHER EXPENSES STATEMENT 6

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|---|---|---|---|---|
| MISCELLANEOUS | 3,105. | 1,552. | | 1,552. |
| TO FORM 990-PF, PG 1, LN 23 | 3,105. | 1,552. | | 1,552. |

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 7

| DESCRIPTION | U.S. GOV'T | OTHER GOV'T | BOOK VALUE | FAIR MARKET VALUE |
|---|---|---|---|---|
| GOVERNMENT BONDS | | X | 56,470. | 56,484. |
| TOTAL U.S. GOVERNMENT OBLIGATIONS | | | | |
| TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS | | | 56,470. | 56,484. |
| TOTAL TO FORM 990-PF, PART II, LINE 10A | | | 56,470. | 56,484. |

FORM 990-PF CORPORATE STOCK STATEMENT 8

| DESCRIPTION | BOOK VALUE | FAIR MARKET VALUE |
|---|---|---|
| CORPORATE STOCK | 1,311,862. | 1,547,916. |
| TOTAL TO FORM 990-PF, PART II, LINE 10B | 1,311,862. | 1,547,916. |

FORM 990-PF CORPORATE BONDS STATEMENT 9

| DESCRIPTION | BOOK VALUE | FAIR MARKET VALUE |
|---|---|---|
| CORPORATE BONDS | 124,162. | 135,987. |
| TOTAL TO FORM 990-PF, PART II, LINE 10C | 124,162. | 135,987. |

FORM 990-PF OTHER INVESTMENTS STATEMENT 10

| DESCRIPTION | VALUATION METHOD | BOOK VALUE | FAIR MARKET VALUE |
|---|---|---|---|
| SPDR GOLD TRUST | COST | 78,766. | 103,065. |
| TOTAL TO FORM 990-PF, PART II, LINE 13 | | 78,766. | 103,065. |

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 15

| NAME AND ADDRESS | TITLE AND AVRG HRS/WK | COMPEN-SATION | EMPLOYEE BEN PLAN CONTRIB | EXPENSE ACCOUNT |
|---|---|---|---|---|
| JOE E DAVIS<br>P. O. BOX 5467<br>ABILENE, TX 79608 | DIRECTOR<br>0.00 | 0. | 0. | 0. |
| BILIE J DAVIS<br>P. O. BOX 5467<br>ABILENE, TX 79608 | DIRECTOR<br>0.00 | 0. | 0. | 0. |
| JOE BOB DAVIS<br>P. O. BOX 5467<br>ABILENE, TX 79608 | DIRECTOR<br>0.00 | 0. | 0. | 0. |
| BO S DAVIS<br>P. O. BOX 5467<br>ABILENE, TX 79608 | DIRECTOR<br>0.00 | 0. | 0. | 0. |
| DAVID C DAVIS<br>P. O. BOX 5467<br>ABILENE, TX 79608 | DIRECTOR<br>0.00 | 0. | 0. | 0. |
| TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII | | 0. | 0. | 0. |

FORM 990-PF GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR STATEMENT 16

| RECIPIENT NAME AND ADDRESS | RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT | RECIPIENT STATUS | AMOUNT |
|---|---|---|---|
| ABILENE BIBLE CHURCH<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 2,000. |
| ABILENE HOPE HAVEN<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 1,000. |
| AUTISM SPEAKS<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 500. |
| BEN RICHEY'S BOY RANCH<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 4,000. |
| BIG BROTHERS BIG SISTERS<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 3,000. |
| BOYS AND GIRLS CLUB<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 2,000. |
| CHRISTIAN HOMES OF ABILENE<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 1,000. |
| DISABILITY RESOURCES<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 5,001. |

| | | | |
|---|---|---|---|
| ECCA - FIRE DEPT.<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 2,000. |
| FCA<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 2,000. |
| GOODWILL<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 5,000. |
| HENDRICKS HOSPICE<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 1,000. |
| KENLEY SCHOOLS<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 20,000. |
| LOVING CARE MINISTRY<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 5,000. |
| METHODIST CHILDREN'S HOME<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 1,000. |
| MINISTER MENTORING<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 14,000. |
| NOCIL<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 1,000. |
| NOAH PROJECT<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 1,000. |

| | | | |
|---|---|---|---|
| PIONEER DRIVE BAPTIST CHU<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 45,000. |
| PREVENT CHILD ABUSE<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 2,000. |
| SACRED HEART CATHOLIC CH<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 1,000. |
| SADDLE BACK CHURCH<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 1,000. |
| SALVATION ARMY<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 10,000. |
| SAMARITANS PURSE<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 2,000. |
| TEXAS HEART INSTITUTE<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 2,000. |
| THE BEHR MINISTRIES<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 2,000. |
| THE KESSLER SCHOOL<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 1,000. |
| WOUNDED WARRIOR PROJECT<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 2,000. |

| | | | |
|---|---|---|---|
| WUMC<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 1,000. |
| BELTWAY PARK BAPTIST CHURCH<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 2,000. |
| HENDRICKS MEDICAL CENTER<br>FOUNDATION<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 1,000. |
| SPCA RESCUE THE ANIMALS<br>PO BOX 5467 ABILENE, TX 79608 | NONE<br>SUPPORT | PUBLIC<br>CHARITY | 2,276. |
| TOTAL TO FORM 990-PF, PART XV, LINE 3A | | | 144,777. |

Form **8868**
(Rev January 2011)
Department of the Treasury
Internal Revenue Service

# Application for Extension of Time To File an Exempt Organization Return

▶ **File a separate application for each return.**

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box ▶ [X]
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form)

**Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

**Electronic filing (e-file).** You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit *www irs gov/efile* and click on *e-file for Charities & Nonprofits*

**Part I** **Automatic 3-Month Extension of Time.** Only submit original (no copies needed)

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ▶ [ ]

*All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns*

| Type or print | Name of exempt organization | Employer identification number |
|---|---|---|
| File by the due date for filing your return See instructions | JOE E DAVIS FOUNDATION | 75-2497580 |
| | Number, street, and room or suite no. If a P O box, see instructions<br>PO BOX 5467 | |
| | City, town or post office, state, and ZIP code For a foreign address, see instructions.<br>ABILENE, TX 79608 | |

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

| Application Is For | Return Code | Application Is For | Return Code |
|---|---|---|---|
| Form 990 | 01 | Form 990-T (corporation) | 07 |
| Form 990-BL | 02 | Form 1041-A | 08 |
| Form 990-EZ | 03 | Form 4720 | 09 |
| Form 990-PF | 04 | Form 5227 | 10 |
| Form 990-T (sec 401(a) or 408(a) trust) | 05 | Form 6069 | 11 |
| Form 990-T (trust other than above) | 06 | Form 8870 | 12 |

- The books are in the care of ▶ JOE E. DAVIS
P. O. BOX 5497 - ABILENE, TX 79608
Telephone No ▶ 325-691-1940 FAX No ▶
- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ If this is for the whole group, check this box ▶ [ ] If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until AUGUST 15, 2011, to file the exempt organization return for the organization named above The extension is for the organization's return for
▶ [X] calendar year 2010 or
▶ [ ] tax year beginning ______, and ending ______

2 If the tax year entered in line 1 is for less than 12 months, check reason [ ] Initial return [ ] Final return [ ] Change in accounting period

| | | | |
|---|---|---|---|
| 3a | If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions | 3a | $ 0. |
| b | If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit | 3b | $ 314. |
| c | **Balance due.** Subtract line 3b from line 3a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions | 3c | $ 0. |

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions