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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

2010

For calendar year 2010, or tax year beginning 12/1/2010, and ending 11/30/2011

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 The Austin Foundation, Inc		A Employer identification number 14-1777852
Number and street (or P O box number if mail is not delivered to street address) Foundation Source 501 Silverside Rd	Room/suite 123	B Telephone number (see page 10 of the instructions) (800) 839-1754
City or town, state, and ZIP code Wilmington DE 19809-1377		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 2,444,946		2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
(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 <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	27	27		
	4 Dividends and interest from securities	65,575	65,575		
	5 a Gross rents				
	b Net rental income or (loss)				
	6 a Net gain or (loss) from sale of assets not on line 10	295,560			
	b Gross sales price for all assets on line 6a	1,295,847			
	7 Capital gain net income (from Part IV, line 2)		295,560		
	8 Net short-term capital gain				
	9 Income modifications				
	10 a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)	12	12			
12 Total. Add lines 1 through 11	361,174	361,174			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16 a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)	19,345	19,345		
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	6,300			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	15,960	79		15,881
	24 Total operating and administrative expenses. Add lines 13 through 23	41,605	19,424		15,881
	25 Contributions, gifts, grants paid	95,000			95,000
26 Total expenses and disbursements. Add lines 24 and 25	136,605	19,424		110,881	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	224,569				
b Net investment income (if negative, enter -0-)		341,750			
c Adjusted net income (if negative, enter -0-)					

For Paperwork Reduction Act Notice, see page 30 of the instructions.

(HTA)

Form **990-PF** (2010)

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments	62,035	67,594	67,594
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see 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			
	10 a Investments—U S and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	2,072,877	1,943,552	2,034,081
	c Investments—corporate bonds (attach schedule)		322,000	292,966
	11 Investments—land, buildings, and equipment basis ▶			
Less accumulated depreciation (attach schedule) ▶				
12 Investments—mortgage loans				
13 Investments—other (attach schedule)	24,429	50,764	50,305	
14 Land, buildings, and equipment, basis ▶				
Less accumulated depreciation (attach schedule) ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	2,159,341	2,383,910	2,444,946	
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 ▶)			
	23 Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	2,159,341	2,383,910	
30 Total net assets or fund balances (see page 17 of the instructions)	2,159,341	2,383,910		
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	2,159,341	2,383,910		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	2,159,341
2 Enter amount from Part I, line 27a	2	224,569
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	2,383,910
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	2,383,910

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 Publicly-traded Securities				
b Passthrough K1 Capital Gain				
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 1,295,847		1,005,445	290,402	
b			5,158	
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a			290,402	
b			5,158	
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	295,560	
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 pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8 }		3		

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2009	115,532	2,483,653	0.046517
2008	146,831	2,244,287	0.065424
2007	174,916	2,942,645	0.059442
2006	152,312	3,314,315	0.045956
2005	125,236	3,063,327	0.040882
2 Total of line 1, column (d)			2 0.258221
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 0.051644
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5			4 2,587,369
5 Multiply line 4 by line 3			5 133,622
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 3,418
7 Add lines 5 and 6			7 137,040
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.			8 110,881

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	6,835	
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	6,835	
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	6,835	
6 Credits/Payments				
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a	5,393		
b Exempt foreign organizations—tax withheld at source	6b			
c Tax paid with application for extension of time to file (Form 8868)	6c	1,613		
d Backup withholding erroneously withheld	6d			
7 Total credits and payments. Add lines 6a through 6d	7	7,006		
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	0		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	171		
11 Enter the amount of line 10 to be Credited to 2011 estimated tax <input type="checkbox"/> 171 Refunded <input type="checkbox"/>	11	0		

Part VII-A Statements Regarding Activities

	Yes	No
1 a 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?		X
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)? 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		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
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		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		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		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?	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	X	
8 a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) <input type="checkbox"/> NY _____		
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	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 on page 27)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the 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 ▶ _____				
14	The books are in care of ▶ <u>Foundation Source</u> Telephone no ▶ <u>(800) 839-1754</u>			
	Located at ▶ <u>501 Silverside Road, Suite 123 Wilmington DE</u> ZIP+4 ▶ <u>19809-1377</u>			
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 ▶ <u>15</u>			
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	Yes	No
	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 ▶ _____			X

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	N/A
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 20____, 20____, 20____, 20____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 22 of the instructions)	2b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 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)	3b	N/A
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))?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(2)	Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 page 22 of the instructions)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 page 22 of the instructions)?				5b N/A
Organizations relying on a current notice regarding disaster assistance check here		<input type="checkbox"/>		
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?		<input type="checkbox"/> Yes	<input type="checkbox"/> 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?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?				6b X
If "Yes" to 6b, file Form 8870				
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?				7b N/A

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 page 22 of the 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 ATTACHMENT				

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the 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 page 23 of the 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	
.....	
2	
.....	
3	
.....	
4	
.....	

Part IX-B Summary of Program-Related Investments (see page 24 of the 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	▶ 0

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the 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	2,530,924
b	Average of monthly cash balances	1b	95,847
c	Fair market value of all other assets (see page 25 of the instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	2,626,771
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	2,626,771
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	39,402
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,587,369
6	Minimum investment return. Enter 5% of line 5	6	129,368

Part XI Distributable Amount (see page 25 of the 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	129,368
2a	Tax on investment income for 2010 from Part VI, line 5	2a	6,835
b	Income tax for 2010 (This does not include the tax from Part VI)	2b	0
c	Add lines 2a and 2b	2c	6,835
3	Distributable amount before adjustments Subtract line 2c from line 1	3	122,533
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	122,533
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	122,533

Part XII Qualifying Distributions (see page 25 of the 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	110,881
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	0
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	0
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	110,881
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 page 26 of the instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	110,881

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 page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				122,533
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			101,617	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2010				
a From 2005	0			
b From 2006	0			
c From 2007	0			
d From 2008	0			
e From 2009	0			
f Total of lines 3a through e	0			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ 110,881				
a Applied to 2009, but not more than line 2a			101,617	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
d Applied to 2010 distributable amount				9,264
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				
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions		0		
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions			0	
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				113,269
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)	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	0			
b Excess from 2007	0			
c Excess from 2008	0			
d Excess from 2009	0			
e Excess from 2010	0			

Part XIV Private Operating Foundations (see page 27 of the 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)

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

Tax year	Prior 3 years			(e) Total
(a) 2010	(b) 2009	(c) 2008	(d) 2007	
0				0
0	0	0	0	0
0				0
				0
0	0	0	0	0
0				0
				0
				0
				0
				0

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 page 28 of 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))

NONE

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

NONE

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

Check here ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the 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 <i>Paid during the year</i>				
BLUE RIDGE AREA FOOD BANK INC PO BOX 937 VERONA VA 24482	N/A	509(a)(1)	General & Unrestricted	10,000
CENTRAL VIRGINIA FOODBANK 1415 RHOADMILLER ST RICHMOND VA 23220	N/A	509(a)(2)	General & Unrestricted	10,000
CHILDREN FIRST OF BUNCOMBE COUNTY 50 S FRENCH BROAD AVE STE 246 ASHEVILLE NC 28801	N/A	509(a)(1)	Substance Abuse Programs	5,000
COMMONWEALTH PUBLIC BROADCASTING CORP 23 SESAME ST RICHMOND VA 23235	N/A	509(a)(1)	WCVE - Television station Division	1,000
GRAHAM CHILDREN'S HEALTH SERVICES INC 202 MEDICAL CAMPUS DR BURNSVILLE NC 28714	N/A	509(a)(1)	Educate and Inform Families About Substance Abuse	5,000
GRAHAM CHILDREN'S HEALTH SERVICES INC 202 MEDICAL CAMPUS DR BURNSVILLE NC 28714	N/A	509(a)(1)	Support Family-Wide Recovery	5,000
GREATER WASH ED TELECOMM ASSOCIATION 3939 CAMPBELL AVE ARLINGTON VA 22206	N/A	509(a)(2)	Television and Radio Department	4,000
HOPE FOR HORSES PO BOX 1449 LEICESTER NC 28748	N/A	509(a)(1)	Care of Horses Program	5,000
MAGGIE L WALKER GOVERNORS SCHOOL 1000 N LOMBARDY ST RICHMOND VA 23220	N/A	509(a)(3)	General & Unrestricted	2,000
MANNA FOOD BANK INC 627 SWANNANOA RIVER RD ASHEVILLE NC 28805	N/A	509(a)(1)	General & Unrestricted	5,000
NATIONAL ASSOC FOR CHILDREN OF ALCOHOLICS 10920 CONNECTICUT AVE STE 100 KENSINGTON MD 20895	N/A	509(a)(1)	General & Unrestricted	5,000
Total See Attached Statement			3a	95,000
b <i>Approved for future payment</i>				
Total			3b	0

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the 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	27	
4	Dividends and interest from securities			14	65,575	
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	295,560	
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue a <u>K-1 Pass-Through Income</u>			14	12	
b						
c						
d						
e						
12	Subtotal. Add columns (b), (d), and (e)		0		361,174	0
13	Total. Add line 12, columns (b), (d), and (e)				361,174	361,174

(See worksheet in line 13 instructions on page 29 to verify calculations)

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

[illegible]

Form 990-PF, Part I, Line 11 - Other Income

TOTAL:			12	12
		(a) Revenue per Books	(b) Net Investment Income	12
1	DB COMMODITY INDEX TRACKING FUND K-1 Pass-Through Share of Partnership Income/(Loss)	12	12	12
2				
3				
4				
5				
6				
7				
8				
9				
10				

Form 990-PF, Part I, Line 16c - Other Professional Fees

TOTAL:		19,345	19,345	0	0
		(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purpose
1	Investment Management Services	19,345	19,345	0	0
2					
3					
4					
5					
6					
7					
8					
9					
10					

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

TOTAL:		6,300	0	0	0	0
		(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purpose	
1	Estimated Tax for 2011	5,300	0	0	0	0
2	IRS Excise Tax Payment with 1st ext 990-PF	1,000	0	0	0	0
3						
4						
5						
6						
7						
8						
9						
10						

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

TOTAL:					15,960	79	0	15,881
		(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purpose			
1	Administrative Fees	15,506	0	0	15,506			
2	DB COMMODITY INDEX TRACKING FUND K-1 Pass-Through	79	79	0	0			
3	State or Local Filing Fees	250	0	0	250			
4	Public Disclosure in Newspaper Ad	125	0	0	125			
5								
6								
7								
8								
9								
10								

Form 990-PF, Part II, Line 10b - Investments: Corporate Stock

TOTAL:				Shares	Book Value	(b)	1,943,552	(c)	2,034,081
	Description/Symbol/CUSIP Number								
1	ARTIO INTERNATIONAL II - I (JETIX)			3,117	32,758				31,636
2	ARTISAN INTERNATIONAL VALUE FUND INVESTOR SHS (ARTKX)			972	27,233				24,570
3	ASTON OPTIMUM MID CAP FUND CLASS I (ABMIX)			1,829	50,949				54,789
4	CARDINAL HEALTH INC (CAH)			100	5,157				4,246
5	CISCO SYSTEMS INC (CSCO)			1,100	5,699				20,504
6	COLUMBIA FDS SER TR II MASS ASIA PC JP R5 (TAPRX)			5,748	79,154				69,727
7	DELAWARE EMERGING MARKETS (DEMIX)			3,334	53,748				43,879
8	DODGE & COX FUNDS INTERNATIONAL STOCK FUND (DODFX)			801	23,572				24,677
9	DREYFUS PREMIER EMERGING MARKETS DEBT LOCAL CURREN (DDBIX)			3,626	54,499				49,858
10	EATON VANCE FLOATING RATE FUND INSTI SHARE (EIBLX)			12,794	114,527				112,331
11	EATON VANCE GLOBAL MACRO FD CL I (EIGMX)			8,007	82,415				79,187
12	EMC CORP-MASS (EMC)			900	15,912				20,709
13	EXXON MOBIL CORP (XOM)			334	8,869				26,867
14	GENERAL ELECTRIC CO (GE)			950	12,030				15,115
15	GENERAL MILLS INC (GIS)			200	4,494				7,990
16	HIGHBRIDGE DYNAMIC COMMOD STRATEGY FUND - SEL (HDCSX)			1,790	25,275				33,150
17	ISHARES TR S & P MIDCAP 400 INDEX FD (IJH)			675	48,782				59,697
18	JP MORGAN EXPANSION INDEX SELECT FUND (PGMIX)			5,827	49,236				61,356
19	JP MORGAN INFLATION MANAGED BOND SEL CL (JRBSX)			5,393	57,700				57,053
20	JP MORGAN SHORT DURATION BOND SELECT FUND (HLLVX)			29,114	317,732				319,381
21	JP MORGAN US REAL ESTATE FD SELECT SHS (SUIEX)			1,560	23,535				24,284
22	JPMORGAN ASIA EQUITY SELECT FUND (JPASX)			1,498	53,748				45,210
23	JPMORGAN EMERGING MKTS EQUITY FD (JEMSX)			1,455	30,460				30,460
24	JPMORGAN HIGH YIELD BOND FUND SELECT (OHYFX)			16,288	131,725				124,601
25	JPMORGAN INTERNATIONAL CURRENCY INCOME FD (JCISX)			6,526	75,699				72,899
26	JPMORGAN INTERNATIONAL VALUE SELECT (JIESX)			2,867	37,875				34,062
27	JPMORGAN MARKET NEUTRAL FUND SELECT (JMNSX)			3,567	55,416				52,359
28	MANNING & NAPIER FD, INC EQUITY SRS (EXEYX)			1,344	24,765				24,455
29	MERCK & CO INC (MRK)			600	21,218				21,450
30	MICROSOFT CORPORATION (MSFT)			800	4,944				20,464
31	ORACLE CORP (ORCL)			600	1,922				18,810
32	PAYDEN HIGH INCOME FUND CLASS R (PYHRX)			14,569	105,753				99,796
33	PFIZER INC (PFE)			300	10,287				6,021
34	PROCTER GAMBLE CO (PG)			200	7,517				12,914
35	PRUDENTIAL FINCL INC (PRU)			50	2,644				2,532
36	SCHLUMBERGER LTD (SLB)			300	7,905				22,599
37	SPDR GOLD TR GOLD SHS (GLD)			206	24,831				35,047
38	THE ARBITRAGE FUND CLASS I (ARBNX)			9,301	121,977				124,351
39	TIME WARNER INC (TWX)			150	4,465				5,223
40	UNITED TECHNOLOGIES CORP (UTX)			300	9,270				22,980
41	VANGUARD EMERGING MARKETS STOCK INDEX VIPERS (VVO)			625	29,237				25,513

Form 990-PF, Part II, Line 10b - Investments: Corporate Stock

		TOTAL:			
		Shares	(b) Book Value	(c) Fair Market Value	
42	VANGUARD INTERMEDIATE-TERM CORPORATE FUND (VFICX)	7,303	70,740	72,739	
43	VERIZON COMMUNICATIONS (VZ)	150	6,200	5,660	
44	WELLS FARGO & CO (WFC)	500	11,678	12,930	

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

TOTAL:				322,000	292,966
	Description/Symbol/CUSIP Number	Shares	Book Value	(b)	(c) Fair Market Value
1	BARCLAYS BANK PLC RTN NT LKD - 0.000% - 01/14/2013 (06738KMR9)	20,000	20,000		19,040
2	BARCLAYS BANK PLC-0 00%-07/05/2012 (06738KTY7)	25,000	25,000		24,485
3	BARCLAYS CAPITAL NOTE-0.00%-09/18/2013 (06738KVA6)	20,000	20,000		18,876
4	BNP PARIBAS NOTE 0 0% 08/01/2012 (05567L2R7)	25,000	25,000		22,353
5	BNP PARIBAS NOTE-0.00%-05/02/2012 (05567LV95)	27,000	27,000		22,294
6	BNP PARIBAS NOTE-0 000%-06/06/2012 (05567LX69)	25,000	25,000		22,166
7	BNP PARIBAS NOTE-0 000%-11/16/2012 (05567LX28)	25,000	25,000		19,503
8	GOLDMAN SACHS GROUP INC-0 00%-04/25/2012 (38143UTR2)	30,000	30,000		28,412
9	GOLDMAN SACHS GROUP INC-0 000%-09/12/2012 (38143UB83)	25,000	25,000		24,740
10	GOLDMAN SACHS INC-0.000%-06/06/2012 (38143UUX7)	25,000	25,000		21,196
11	HSBC USA INC-0.00%-02/19/2013 (4042K1MG5)	25,000	25,000		25,913
12	JP MORGAN CHASE BANK-0.00%-07/05/2012 (48125XUW4)	25,000	25,000		21,965
13	JPMORGAN CHASE & CO-0.00%-08/01/2012 (48125XYR1)	25,000	25,000		22,023

Form 990-PF, Part II, Line 13 - Investments - Other

TOTAL:			50,764	50,305
	Asset Description	(b) Book Value	(c) Fair Market Value	
1	DB COMMODITY INDEX TRACKING FUND (DBC)	50,764	50,305	
2				
3				
4				
5				
6				
7				
8				
9				
10				

Form 990-PF, Part VIII, Line 1 - Compensation of Officers, Directors, Trustees and Foundation Managers

	Name	Street	City	State	Zip Code	Title	Avg Hrs	Comp.	Benefits	Expense Account
1	Karen Head	Foundation Source 501 Silverside Rd	Wilmington	DE	19809	Director	1	0	0	0
2	Kimberly A Head	Foundation Source 501 Silverside Rd	Wilmington	DE	19809	Director	1	0	0	0
3	Stephen Markovits	Foundation Source 501 Silverside Rd	Wilmington	DE	19809	President	1	0	0	0
4										
5										
6										
7										
8										
9										
10										

Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Recipient(s) paid during the year

Name

NATIONAL PUBLIC RADIO INC

Street

635 MASS AVE NW

City

WASHINGTON

State

DC

Zip Code

20001

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

General & Unrestricted

Amount

5,000

Name

OXFAM-AMERICA INC

Street

P O BOX 1211

City

ALBERT LEA

State

MN

Zip Code

56007

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

General & Unrestricted

Amount

5,000

Name

PRESIDENT & FELLOWS OF MIDDLEBURY COLLEGE

Street

5 COURT ST

City

MIDDLEBURY

State

VT

Zip Code

05753

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Middlebury Language School and the General Fund

Amount

3,000

Name

READING IS FUNDAMENTAL INC

Street

1255 23RD ST NW STE 300

City

WASHINGTON

State

DC

Zip Code

20037

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

General & Unrestricted

Amount

1,000

Name

SIDWELL FRIENDS SCHOOL

Street

3825 WISCONSIN AVE NW

City

WASHINGTON

State

DC

Zip Code

20016

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Evelyn Fine Fund

Amount

1,000

Name

ST JOSEPH'S INDIAN SCHOOL

Street

1301 N MAIN ST BOX 89

City

CHAMBERLAIN

State

SD

Zip Code

57325

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

General & Unrestricted

Amount

2,000

Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Recipient(s) paid during the year

Name

ST MARK'S EPISCOPAL CHURCH

Street

700 E MILL ST

City

BEAVER DAM

State

WI

Zip Code

53916

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Rector's Discretionary Fund

Amount

5,000

Name

TOE RIVER ARTS COUNCIL INC

Street

P O BOX 882

City

BURNSVILLE

State

NC

Zip Code

28714

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Arts in Schools Program

Amount

5,000

Name

UNITED STATES FUND FOR UNICEF

Street

125 MAIDEN LN 10TH FLR

City

NEW YORK

State

NY

Zip Code

10038

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

General & Unrestricted

Amount

2,000

Name

WAMU 88.5 - AMERICAN UNIVERSITY RADIO

Street

4000 BRANDYWINE ST, N W

City

WASHINGTON

State

DC

Zip Code

20016

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

General & Unrestricted

Amount

4,000

Name

YANCEY COUNTY PUBLIC LIBRARY

Street

18 TOWN SQ

City

BURNSVILLE

State

NC

Zip Code

28714

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Support Reading for Children and Families Program

Amount

5,000

Name**Street****City****State****Zip Code****Foreign Country****Relationship****Foundation Status****Purpose of grant/contribution****Amount**

0