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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

2011

For calendar year 2011, or tax year beginning , 2011, and ending , 20

Name of foundation WILLIAM AND DIANE HEIN FOUNDATION		A Employer identification number 16-1484562
Number and street (or P O box number if mail is not delivered to street address) 6500 MAIN STREET SUITE 5	Room/suite	B Telephone number (see instructions) 716-633-6500
City or town, state, and ZIP code WILLIAMSVILLE NY 14221		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply	Initial return <input type="checkbox"/> Initial Return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/>	D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 7,469,083.	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <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 instr.))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule)		400,000.			
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B					
3 Interest on savings and temp. cash investments					
4 Dividends and interest from securities		232,143.	179,013.		
5a Gross rents		5,987.			
b (Net rental income or loss) (2,407.)					
6a Net gain/(loss) from sale of assets not on line 10					
b Gross sales price for all assets on line 6a					
7 Capital gain net income (from Part IV, line 2)					
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns & allowances					
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)		389,333.			
12 Total. Add lines 1 through 11		1,027,463.	179,013.		
13 Compensation of officers, directors, trustees, etc.					
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees (attach schedule)		9,561.	2,561.		
b Accounting fees (attach schedule)					
c Other professional fees (attach schedule)					
17 Interest					
18 Taxes (attach schedule) (see instructions)		192,278.	2,173.		1,277.
19 Depreciation (attach sch.) and depletion		35,386.			
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (attach schedule)		8,644.			8,394.
24 Total operating and administrative expenses. Add lines 13 through 23		245,869.	4,734.		9,671.
25 Contributions, gifts, grants paid		200,000.			200,000.
26 Total exp. & disbursements. Add lines 24 and 25		445,869.	4,734.		209,671.
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements		581,594.			
b Net investment income (if neg., enter -0-)			174,279.		
c Adjusted net income (if neg., enter -0-)					

For Paperwork Reduction Act Notice, see instructions.

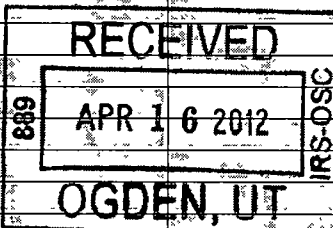
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US990PF51

Form 990-PF (2011)

SCANNED
APR 19 2012

Operating and Administrative Expenses



3

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See inst.)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing		66,352.	57,982.	57,982.
	2	Savings and temporary cash investments				
	3	Accounts receivable ▶				
		Less allowance for doubtful accts ▶				
	4	Pledges receivable ▶				
		Less allowance for doubtful accts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see 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				
	10a	Investments - U S and state govt obligations (attach schedule)	1,440,966.	2,000,232.	2,369,033.	
	b	Investments - corporate stock (attach schedule)	425,500.	343,424.	838,431.	
	c	Investments - corporate bonds (attach schedule)	3,015,000.	3,015,000.	2,662,386.	
	Liabilities	11	Investments - land, buildings, and equipment basis Less accumulated depreciation (attach schedule) ▶			
12		Investments - mortgage loans		148,160.	148,160.	
13		Investments - other (attach schedule)				
14		Land, buildings, and equipment basis Less accumulated depreciation (attach schedule) ▶ 1,665,430. ▶ 272,339.	1,428,477.	1,393,091.	1,393,091.	
15		Other assets (describe ▶)	(29.)	(28.)		
16		Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	6,376,266.	6,957,861.	7,469,083.	
17		Accounts payable and accrued expenses				
18		Grants payable				
19		Deferred revenue				
20		Loans from officers, directors, trustees, and other disqualified persons				
Net Assets or Fund Balances	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶)				
	23	Total liabilities (add lines 17 through 22)				
		Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted	6,376,266.	6,957,861.		
	25	Temporarily restricted				
	26	Permanently restricted				
		Foundations that do not follow SFAS 117, ck. here ▶ <input type="checkbox"/> and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
Net Assets or Fund Balances	29	Retained earnings, accumulated income, endowment, or other funds				
	30	Total net assets or fund balances (see instructions)	6,376,266.	6,957,861.		
	31	Total liabilities and net assets/fund balances (see instructions)	6,376,266.	6,957,861.		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	6,376,266.
2	Enter amount from Part I, line 27a	2	581,594.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	6,957,860.
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	6,957,860.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1 a FED HOME LN MTG MTM TERM NOTES 3-15-2027	P	03/12/2007	03/15/2011
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 150,000.		150,000.	
b			
c			
d			
e			

(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

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	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	

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 the instructions before making any entries

(a) Base period years Calendar year (or tax year beg in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	205,975.	5,017,419.	0.0411
2009	151,500.	4,040,353.	0.0375
2008	102,500.	3,509,895.	0.0292
2007	104,000.	2,355,601.	0.0442
2006	94,938.	2,306,351.	0.0412

2 Total of line 1, column (d)	2	0.1932
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	0.0386
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	5,723,085.
5 Multiply line 4 by line 3	5	220,911.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,743.
7 Add lines 5 and 6	7	222,654.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions	8	359,671.

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary - see instr)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	1,743.
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	1,743.
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	1,743.
6 Credits/Payments			
a 2011 estimated tax payments and 2010 overpayment credited to 2011.	6a	2,173.	
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	2,173.	
8 Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	430.	
11 Enter the amount of line 10 to be Credited to 2012 estimated tax 430. 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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see 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 \$ (2) On foundation managers \$		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? 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
4a 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?	X	
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	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) 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 2011 or the taxable year beginning in 2011 (see instructions for Part XIV in instructions)? 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

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶	13	X	
14	The books are in care of ▶ WILLIAM S HEIN Located at ▶ 6500 MAIN STREET NY WILLIAMSVILLE Telephone no ▶ 716-633-6500 ZIP+4 ▶ 14221-5854			
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		
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ▶	16	Yes	No 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 the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? <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 the instructions) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	3b	X
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b	X

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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No**b** If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see the instructions)? ☐ Yes ☒ NoOrganizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d)

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

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred comp	(e) Expense account, other allowances
WILLIAM S HEIN	DIRECTOR			
6500 MAIN STREET	3	0		
DIANE HEIN	DIRECTOR			
6500 MAIN STREET	1	0		
WILLIAM C MORAN	DIRECTOR			
6500 MAIN STREET	1	0		
JAMEY MORAN	DIRECTOR			
6500 MAIN STREET	1	0		

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

If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 ☐

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services (see 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 info 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 instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

	Amount
1 MORTGAGE LOAN TO CHRISTIAN CENTRAL ACADEMY, WILLIAMSVILLE, NEW YORK, AN EXEMPT EDUCATIONAL ORGANIZATION	
	150,000.
2	
All other program-related investments See instructions	
3	
Total Add lines 1 through 3 ▶	150,000.

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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 5,651,580.
b	Average of monthly cash balances	1b 158,659.
c	Fair market value of all other assets (see instructions)	1c
d	Total (add lines 1a, b, and c)	1d 5,810,239.
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 5,810,239.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4 87,154.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5 5,723,085.
6	Minimum investment return. Enter 5% of line 5	6 286,154.

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	1 286,154.
2a	Tax on investment income for 2011 from Part VI, line 5	2a 1,743.
b	Income tax for 2011 (This does not include the tax from Part VI)	2b
c	Add lines 2a and 2b	2c 1,743.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3 284,411.
4	Recoveries of amounts treated as qualifying distributions	4 1,840.
5	Add lines 3 and 4	5 286,251.
6	Deduction from distributable amount (see instructions)	6
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7 286,251.

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 209,671.
b	Program-related investments-total from Part IX-B	1b 150,000.
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	4 359,671.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5 1,743.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6 357,928.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				284,411.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			235,427.	
b Total for prior yrs 20 __, 20 __, 20 __				
3 Excess distribs carryover, if any, to 2011				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e				
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 357,831.				
a Applied to 2010, but not more than line 2a			235,427.	
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2011 distributable amount				122,404.
e Remaining amt distributed out of corpus				
5 Excess distribs carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in col (a)) .				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, & 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b . .				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed .				
d Subtract line 6c from line 6b Taxable amount - see instructions				
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				162,007.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

4942(1)(5)

(4) Gross investment income

[illegible]

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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
Name and address (home or business)				
a Paid during the year SCHEDULE		PUBLIC	SEE SCHEDULE	200,000.
Total			▶ 3a	200,000.
b Approved for future payment				
Total			▶ 3b	

US990P13

Schedule of Contributors

OMB No 1545-0047

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

2011

Name of the organization

WILLIAM AND DIANE HEIN FOUNDATION

Employer identification number

16-1484562

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust not treated as a private foundation

☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on Part I, line 2, of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization WILLIAM AND DIANE HEIN FOUNDATION	Employer identification number 16-1484562
---	--

Part I Contributors (see instructions) Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	WILLIAM S HEIN 6500 MAIN STREET WILLIAMSVILLE NY 14221-	\$ 400,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

William S. Hein Foundation
EIN 16-1484562
Form 990-PF
2011
Page 1, Part I, Line 6

Net Gain/Loss from Sale of Assets Not on Line 10

Description	Date Acquired	Date Sold	Sales Price	Cost	Net Gain (Loss)
Fed Home Ln Mtg Freddie Mtm Term Notes 5 4% 3/15/2027	3/12/2007	3/15/2011	\$150,000 00	\$150,000 00	\$0 00 \$0 00 \$0 00 \$0 00 \$0 00
Totals			\$150,000.00	\$150,000.00	\$0.00

US 990**Other Income****2011**

Description	Revenue and expenses per books	Investment income	Adjusted net income
INCOME FROM S CORP - W S HEIN CO	362,938.		
MISC INCOME	2,000.		
FED TAX REFUND FROM AMENDED RETURN	1,825.		
FED TAX REFUND FROM AMENDED RETURN	22,573.		
ROUNDING ADJUSTMENT	(3.)		
	389,333.		

William and Diane Hein Foundation
EIN 16-1484562
Form 990-PF
2011

Amount

Page 1, Part I, Line 11
Other Income

Net Income from William S Hein Co Inc (S
Corporation)
Federal Tax Refund from Amended Return
Federal Tax income from Amended Return
Rounding Adjustment

362,937 50
1,825 00
22,573 00
-3 00

Misc Income

2,000 00

Total Other Income - Form 990-PF, Page I,
Line 11

\$389,332.50

Page 1, Part I, Line 16a
Legal Fees

Total Legal Fees Paid by Taxpayer to William
C Moran & Associates, P C

9,561 39

Legal Fees Allocated to Form 990-PF

2,561 39

Form 990-PF, Page 1, Line 16a - Legal Fees

2,561 39

US 990**Taxes****2011**

Description	Expenses per books	Net investment income	Adjusted net income	Charitable purposes
FORM 990-PF	2,173.	2,173.		
FORM 990-T	157,663.			
NEW FORM CT-13	31,040.			
REAL PROPERTY TAXES	1,277.			1,277.
OTHER - MISC TAXES	125.			
	192,278.	2,173.		1,277.

William and Diane Hein Foundation
EIN 16-1484562
Form 990-PF
2011

Page 1, Part I, Line 18 - Taxes - Cash Basis

Description	Amount	Subtotals
Form 990-PF		
Estimated Tax Payments	\$347.50	
Application of Prior Year Refund to Current		
Year Taxes	\$1,825.00	
Balance Due from Prior Year	<u>\$0 00</u>	
		\$2,172 50
Form 990-T		
Estimated Tax Payments	\$157,788.00	
Application of Prior Year Refund to Current		
Year Taxes		
Balance Due from Prior Year	<u>\$0 00</u>	
		\$157,788 00
New York Form CT-13		
Estimated Tax Payments	\$0 00	
Balance Due from Prior Year	<u>\$31,040.00</u>	
		\$31,040 00
Real Property Taxes		<u>\$1,277 22</u>
Total - To Part 1, Line 18		<u><u>\$192,277.72</u></u>

US 990**Other Expenses****2011**

Description	Expenses per books	Net investment income	Adjusted net income	Charitable purposes
NY CHARITIES BUREAU FILING FEE	250.			
ELLCOTTVILLE, NY PROPERTY EXP.	8,394.			8,394.
	8,644.			8,394.

William and Diane Hein Foundation
EIN 16-1484562
Form 990-PF
2011
Page 2, Part II, Line 10 - Investments - End of Year

Description	Book Value	Fair Market Value	Date Acquired
Line 10a - U.S. Government Obligations			
Fed Natl Mtg Assn Deb 6 25% 5/15/2029	\$154,934 74	\$211,180 50	1/31/2002
Federal Farm Cr Bks Cons Systemwide BDS 4 75% 01/16/29	\$105,186 48	\$120,503 82	6/2/2010
Federal Farm Cr Bks Cons Systemwide BDS 4 75% 01/16/29	\$101,564 26	\$115,778 18	6/2/2010
US Treasury BDS 4 750%	\$560,097 66	\$757,971 50	3/21/2011
Total U.S. Government Obligations	\$921,783.14	\$1,205,434.00	
Line 10a - State and Local Obligations			
Camden, NY Central School District 4 0% 3/15/23	\$250,111 11	\$281,945 00	3/10/2009
Chester, NY School District 5 125% 4/15/2030	\$99,096 00	\$101,444 00	3/21/2011
Nassau Cnty NY Taxable-Ser I-Build Amer 6 15% 10/01/30	\$127,100 00	\$131,051 25	12/7/2009
New York Dorm Auth Revs NonSt 5 0% 10/01/24	\$100,000 00	\$111,884 00	3/13/2009
New York NY City Hsg Dev Corp Multifamily 4 25% 11/01/24	\$151,833 33	\$158,197 50	9/30/2009
New York St Ser A 5 0% 2/15/34	\$150,225 00	\$163,263 00	3/13/2009
Port Jervis, NY Var Purp 4 3% 9/15/24	\$50,011 94	\$52,744 50	9/10/2009
Rensselaer NY Pub 5 125% 4/1/2037	\$50,072 00	\$53,790 00	3/23/2011
Rush Henrietta NY Cent Sch Dist 4 5% 06/15/26	\$100,000 00	\$109,280 00	1/26/2009
Total State and Local Obligations	\$1,078,449.38	\$1,163,599.25	
Total - Line 10a	<u>\$2,000,232.52</u>	<u>\$2,369,033.25</u>	
Line 10b - Corporate Stock			
William S Hein & Co , Inc - 297 Shares	\$343,424 15	\$838,431 00	Various
Total - Line 10b	<u>\$343,424.15</u>	<u>\$838,431.00</u>	
Line 10c - Corporate Bonds			
Certificates of Deposit			
Discover Bank Greenwood Del 5% 10/01/13	\$100,000 00	\$106,734 00	9/23/2008
Morgan Stanley Bank West Valley City 5 05% 10/08/13	\$50,000 00	\$53,435 00	9/30/2008
Total Certificates of Deposit	\$150,000 00	\$160,169 00	
Long-Term Corporate Bonds			
Bank Amer Corp Sub Internotes 5 6% 3/15/2028	\$150,000 00	\$115,023 00	3/6/2003
Bank Amer Corp Sub Internotes 6 0% 2/15/37	\$150,000 00	\$119,410 50	2/5/2007
Bank New York Mellon Corp Sub Corenotes 5 95% 06/15/33	\$300,000 00	\$305,139 00	5/30/2008
Barclays Bank PLC Notes 5 125% 01/08/20	\$200,000 00	\$205,444 00	3/25/2010
Caterpillar Finl Svcs Corp Pownotes 5 5% 03/15/28	\$250,000 00	\$250,365 00	3/24/2008
Coca Cola Enterprises Inc Deb 6 75% 9/15/2023	\$100,000 00	\$132,411 00	5/9/2001
Gen Elec Cap Corp Internotes 6% 01/15/38	\$300,000 00	\$303,105 00	1/8/2008

Gen Mtrs Accep Corp Smartnotes 7 25% 9/15/2017	\$105,000 00	\$96,012 00	9/17/2002
General Elec Cap Corp Internotes 5 3% 03/15/34	\$200,000 00	\$195,756 00	3/17/2005
General Elec Co Global NT 5 0% 2/1/2013	\$50,000 00	\$52,105 00	2/18/2003
Goldman Sachs Group Inc Medium Term Nts 7 25% 9/15/17	\$125,000 00	\$114,356 25	12/7/2009
HSBC Fin Corp Internotes 6% 04/15/13	\$285,000 00	\$290,828 25	3/31/2008
JP Morgan Chase & Co Fixed Rt Nt 4 950% 03/25/20	\$200,000 00	\$212,574 00	3/25/2010
Lehman Bros Holdings NTS 6 5% 01/17/33	\$300,000 00	\$71,250 00	1/10/2008
Lehman Bros Holdings NTS 6 5% 02/28/23	\$150,000 00	\$38,437 50	2/21/2008
Total Long-Term Corporate Bonds	\$2,865,000 00	\$2,502,216 50	
Total - Line 10c	<u>\$3,015,000.00</u>	<u>\$2,662,385.50</u>	

Form 990-PF
2011

Land, Buildings and Equipment
Page 2, Line 14

Description	Cost or Basis	Accumulated Depreciation	Book Value	Fair Market Value
Building - 327 N Ellicott Creek Road Amherst, New York	\$650,000 00	\$150,000.00	\$500,000 00	\$500,000 00
Building - 5830 Main Street Williamsville, New York	\$813,097 07	\$111,800.86	\$701,296 21	\$701,296 21
Unit 421 II Ellicottville, New York Real Property	\$202,332.48	\$10,538.15	\$191,794 33	\$191,794 33
Above Buildings Are Provided Without Rent Charge to Exempt Organizations				
Totals	\$1,665,429.55	\$272,339.01	\$1,393,090.54	\$1,393,090.54

William and Diane Hein Foundation
EIN 16-1484562
Form 990-PF
2011

Page 8, Part X, Line 1

Schedule of Monthly Balances of
Investment Income and Cash

	Securities	Checking Account and Petty Cash
January	\$4,945,071 65	\$43,791 26
February	\$5,601,073 90	\$178,377 91
March	\$5,525,914.30	\$217,881 09
April	\$5,633,373 70	\$214,021 22
May	\$5,698,361.05	\$224,780.60
June	\$5,621,451 80	\$232,406 23
July	\$5,706,292 25	\$89,209.81
August	\$5,765,488 60	\$110,441 62
September	\$5,841,998 65	\$155,837 15
October	\$5,811,404 05	\$181,517 98
November	\$5,798,682.50	\$193,267 29
December	<u>\$5,869,849 75</u>	<u>\$57,582 51</u>
Total	\$67,818,962 20	\$1,899,114 67
Monthly Average	<u>\$5,651,580 18</u>	<u>\$158,259 56</u>
Add Average Balance of Petty Cash For Each Month		<u>\$399 00</u>
Monthly Average - To Form 990-PF, Part X	<u>\$5,651,580.18</u>	<u>\$158,658.56</u>

William and Diane Hein Foundation
EIN 16-1484562
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2011

Page 11, Part XV, Line 3a

Grants and Contributions

Donee Name	Address	Status	Purpose	Amount
Athletes in Action	54 Crownview Terrace, Hamburg, NY 14075	Public	Charitable	\$4,000 00
Billy Graham Training Center	1 Billy Graham Parkway Charlotte, NC 28201-0001	Public	Charitable	\$1,000 00
Buffalo and Erie County Library	1 Lafayette Square Buffalo, NY 14203	Public	Educational	\$5,000 00
Buffalo Christian Center	512 Pearl Street Buffalo, NY 14202	Public	Charitable	\$4,000 00
Buffalo City Mission	PO Box 496 Buffalo, NY 14205	Public	Charitable	\$4,000 00
Buffalo Dream Center	Attn Pastor Eric Johns PO Box 394 Buffalo, NY 14201-0934	Public	Charitable	\$5,000 00
Christian Central Academy	39 Academy Williamsville, NY 14221	Public	Religious	\$3,500 00
Christian Counseling Ministries	Houghton College Campus 901 Union Road West Seneca, NY 14224	Public	Religious	\$6,000 00
Circle "C" Ranch (Living Waters Ministries, Inc)	10451 Ashcraft Road Delevan, NY 14042-9664	Public	Charitable	\$58,000 00
Compassion International	PO Box 6500 Colorado Springs, CO 80962-9951	Public	Charitable	\$4,000 00
Cornerstone	150 East North Street Buffalo, NY 1423	Public	Charitable	\$2,000 00
Cross Training Football	PO Box 64 Tonawanda, NY 14150	Public	Charitable	\$7,000 00
EduNations	PO Box 119 Kenmore, NY 14217	Public	Educational	\$3,000 00
Engineering Ministries International	130 E Kiowa St #200 Colorado Springs, CO 80903	Public	Charitable	\$5,000 00
Faith to the Nations	PO Box 3817 Broken Arrow, OK 74013	Public	Religious	\$2,000 00

Fellowship of Christian Athletes	2905 Staley Road Grand Island, NY 14072	Public	Charitable	\$4,000 00
Gliding Stars	PO Box 1862 Amherst, NY 14226	Public	Charitable	\$2,500 00
Good Neighbors Health Center (Harvest House of South Buffalo, Inc)	1782 Seneca Street Buffalo, NY 14210-1895	Public	Charitable	\$5,000 00
Hearts for the Homeless	P O Box 437 Buffalo, NY 14223	Public	Charitable	\$4,000 00
Hospice Foundation	225 Como Park Blvd, Cheektowaga, NY 14227	Public	Charitable	\$1,000 00
Houghton College	One Willard Avenue Houghton, NY 14744	Public	Educational	\$10,000 00
Hunters Hope Foundation, Inc	3859 N Buffalo St P O Box 643 Orchard Park, NY 14127	Public	Charitable	\$3,000 00
I Oppose	610 Ashland Avenue Buffalo, NY 14222	Public	Charitable	\$2,000 00
Ilio DiPaolo Scholarship Fund, Inc	3785 S Park Avenue Blasdell, NY 14219	Public	Charitable	\$3,000 00
International Friendships, Inc	P O Box 82416 Columbus, OH 43202	Public	Charitable	\$5,000 00
Jericho Road Ministries	184 Barton Street Buffalo, NY 14213	Public	Charitable	\$3,000 00
Kingdom Bound Ministries	8550 Sheridan Dr Williamsville, NY 14221	Public	Religious	\$5,000 00
Life Without Limbs	PO Box 2430 Agoura Hills, CA 91376	Public	Charitable	\$2,000 00
NCCC Wrestling	3111 Saunders Settlement Road Sanborn, NY 14132	Public	Charitable & Educational	\$3,000 00
Operation Serve International	PO Box 18070 Fairfield, OH 45018-0070	Public	Charitable	\$4,000 00
Prince of Peace Christian Church	P O Box 932 Buffalo, NY 14205	Public	Religious	\$7,000 00
Score International	P O Box 9994 Chattanooga, TN 37412	Public	Charitable	\$2,000 00
Seven Mile Road Church	Attn 84 Green Street Project 238 Highland Avenue Malden, MA 02148	Public	Charitable	\$6,000 00
Sonrays Ministries	327 N Ellicott Creek Rd Amherst, NY 14228	Public	Religious	\$5,000 00

Super Six Wrestling	University at Buffalo 66 Alumni Arena Buffalo, NY 14260	Public	Charitable	\$2,000 00
University at Buffalo Wrestling	University at Buffalo 66 Alumni Arena Buffalo, NY 14260	Public	Charitable	\$3,000 00
Wycliffe Bible Translators	PO Box 628211 Orlando, FL 32862-8211	Public	Charitable	\$5,000 00
				<hr/>
Total				<u>\$200,000.00</u>

Detail Sheet

2011

Name: WILLIAM AND DIANE HEIN FOUNDATION

ID: 16-1484562

Description: PAGE 12, LINE 4, COLUMN D - INTEREST

[illegible]

Detail Sheet

2011

Name: WILLIAM AND DIANE HEIN FOUNDATION

ID: 16-1484562

Description: PAGE 12, LINE 4, COLUMN E - EXEMPT FUNC

[illegible]

William and Diane Hein Foundation
EIN 16-1484562
Form 990-PF
2011

**Page 12, Part XVI-A, Line 5b - Net Rental
Income from Real Estate - Not Debt-
Financed**

Gross Rent Income	\$5,987.00
--------------------------	-------------------

Deductions

Property Tax	\$2,162 00
Depreciation - See Depreciation Schedule	
Maintenance Fee	\$6,052 00
Commissions	\$180.00
Management Fee	

Total Expenses	<u>\$8,394.00</u>
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Net Rent Income -to Line 5b, Column (e)	<u>-\$2,407.00</u>
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