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

2011

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

For calendar year 2011 or tax year beginning

, and ending

Name of foundation

THE LEONETTI/O'CONNELL FAMILY FOUNDATION

A Employer identification number

20-3889415

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

515 S. FIGUEROA

Room/suite

1050

B Telephone number

213-622-0066

City or town, state, and ZIP code

LOS ANGELES, CA 90071

G Check all that apply:

☐ Initial return☐ Initial return of a former public charity☐ Final return☐ Amended return☐ Address change☐ Name change

H Check type of organization:

☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust☐ Other taxable private foundation

I Fair market value of all assets at end of year

(from Part II, col (c), line 16)

\$ 36,095,240. (Part I, column (d) must be on cash basis.)

J Accounting method:

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

Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)

(a) Revenue and expenses per books

(b) Net investment income

(c) Adjusted net income

(d) Disbursements for charitable purposes (cash basis only)

1 Contributions, gifts, grants, etc., received				N/A	
2 Check ☒ if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities		4,756.	1,040,557.		STATEMENT 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		0.			
b Gross sales price for all assets on line 6a		274,596.			
7 Capital gain net income (from Part IV, line 2)			617,178.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less: Cost of goods sold					
c Gross profit or (loss)		1,814,785.	168,133.		STATEMENT 2
d Other income					
Total. Add lines 1 through 10		1,819,541.	1,825,868.		
13 Compensation of officers, directors, trustees, etc.		82,701.	16,540.		66,161.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees STMT 3		160.	0.		160.
b Accounting fees STMT 4		24,500.	6,125.		18,375.
c Other professional fees STMT 5		8,226.	516.		7,710.
17 Interest			10,160.		
18 Taxes STMT 6		21,357.	12,127.		5,106.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings		41,383.	0.		41,383.
22 Printing and publications					
23 Other expenses STMT 7		8,155.	273,555.		9,882.
24 Total operating and administrative expenses. Add lines 13 through 23		186,482.	319,023.		148,777.
25 Contributions, gifts, grants paid		2,026,212.			2,421,412.
26 Total expenses and disbursements. Add lines 24 and 25		2,212,694.	319,023.		2,570,189.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		-393,153.			
b Net investment income (if negative, enter -0-)			1,506,845.		
c Adjusted net income (if negative, enter -0-)				N/A	

Part II Balance Sheets

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

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	38,713.	301,882.	301,882.
	2 Savings and temporary cash investments	3,269,296.	1,569,874.	1,569,874.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 8	176,000.	1,176,118.	1,176,118.
	c Investments - corporate bonds			
11 Investments - land, buildings, and equipment, basis ▶				
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 9	33,408,393.	29,809,523.	29,809,523.	
14 Land, buildings, and equipment, basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶ STATEMENT 10)	0.	3,237,843.	3,237,843.	
16 Total assets (to be completed by all filers)	36,892,402.	36,095,240.	36,095,240.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable	456,203.	60,000.	
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶ EXCISE TAX PAYABLE)	7,806.	0.	
23 Total liabilities (add lines 17 through 22)	464,009.	60,000.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☒ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted	36,428,393.	36,035,240.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
30 Total net assets or fund balances	36,428,393.	36,035,240.		
31 Total liabilities and net assets/fund balances	36,892,402.	36,095,240.		

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	36,428,393.
2 Enter amount from Part I, line 27a	2	-393,153.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	36,035,240.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	36,035,240.

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			
b SEE ATTACHED STATEMENT			
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			
b			
c			
d			
e 274,596.		-342,582.	617,178.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			617,178.

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	617,178.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	{ }	3	N/A

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	1,108,408.	33,748,422.	.032843
2009	1,313,548.	32,368,223.	.040581
2008	890,093.	30,407,935.	.029272
2007	1,354,019.	24,952,020.	.054265
2006	357,008.	12,868,033.	.027744

2 Total of line 1, column (d)	2	.184705
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	.036941
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	34,630,161.
5 Multiply line 4 by line 3	5	1,279,273.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	15,068.
7 Add lines 5 and 6	7	1,294,341.
8 Enter qualifying distributions from Part XII, line 4	8	2,570,189.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b		1	15,068.
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	15,068.
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	15,068.
6 Credits/Payments:			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	33,188.	
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	33,188.	
8 Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	18,120.	
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax ☒ 18,120. Refunded ☒	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see 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. ☒ \$ 0. (2) On foundation managers. ☒ \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ☒ \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		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) ☒ CA		
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)? 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 ► <u>N/A</u>	13	X	
14	The books are in care of ► <u>THE ORGANIZATION</u> Telephone no. ► <u>213-622-0066</u> Located at ► <u>515 S. FIGUEROA, LOS ANGELES, CA</u> ZIP+4 ► <u>90071</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 ► 15 <u>N/A</u>			
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 the 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?	☐ Yes ☒ No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☒ Yes ☐ No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes ☐ No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No	
(6) Agree to pay money or property to a government official? (Exception Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes ☒ No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ► ☐	1b	X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? If "Yes," list the years ► _____, _____, _____	☐ Yes ☒ No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	N/A	2b
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____, _____, _____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No	
b If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.)	N/A	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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?		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)?

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

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

6b

X

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
CARA ESPOSITO	EXEC DIRECTOR			
515 S. FIGUEROA #1050				
LOS ANGELES, CA 90071	25.00	75,000.	0.	7,701.
MARGO L. O'CONNELL	SEC./DIRECTOR			
515 S. FIGUEROA #1050				
LOS ANGELES, CA 90071	2.00	0.	0.	0.
MICHAEL F. O'CONNELL	CFO / DIRECTOR			
515 S. FIGUEROA #1050				
LOS ANGELES, CA 90071	2.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

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

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

0

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Part 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	0.
b	Average of monthly cash balances	1b	2,584,228.
c	Fair market value of all other assets	1c	32,573,296.
d	Total (add lines 1a, b, and c)	1d	35,157,524.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	35,157,524.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	527,363.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	34,630,161.
6	Minimum investment return. Enter 5% of line 5	6	1,731,508.

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	1,731,508.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	15,068.
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	15,068.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,716,440.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,716,440.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1,716,440.

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	2,570,189.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	2,570,189.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	15,068.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	2,555,121.

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.

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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				1,716,440.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			1,296,111.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ \$ 2,570,189.				
a Applied to 2010, but not more than line 2a			1,296,111.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2011 distributable amount				1,274,078.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				442,362.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

N/A

- b** Check box to indicate whether the foundation is a private operating foundation described in section

☐ 4942(j)(3) or ☐ 4942(j)(5)

- [illegible]

1 Information Regarding Foundation Managers:

- SEE STATEMENT 11

- SEE STATEMENT 12

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

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

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

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

- c Any submission deadlines:**

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

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

Recipient	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				
ARCS FOUNDATION INC. 24520 HAWTHORNE BLVD., STE 113 TORRANCE, CA 90505	NONE	501C3	GENERAL OPERATING EXPENSE	1,000.
ARTS HIGH FOUNDATION 1149 SOUTH HILL STREET, H-100 LOS ANGELES, CA 90015	NONE	501C3	GENERAL OPERATING EXPENSE	5,000.
CALIFORNIA SCIENCE CENTER FOUNDATION 700 EXPOSITION PARK DRIVE LOS ANGELES, CA 90037	NONE	501C3	GENERAL OPERATING EXPENSE	60,000.
CENTER FOR EXCELLENCE IN EDUCATION 8201 GREENSBORO DR., #215 MC LEAN, VA 22102	NONE	501C3	EDUCATION	60,000.
CENTER THEATER GROUP 601 W. TEMPLE ST. LOS ANGELES, CA 90012	NONE	501C3	GENERAL OPERATING EXPENSE	7,000.
Total			SEE CONTINUATION SHEET(S)	3a 2,421,412.
b Approved for future payment				
CENTER FOR EXCELLENCE IN EDUCATION 8201 GREENSBORO DR., #215 MC LEAN, VA 22102	NONE	501C3	EDUCATION	60,000.
Total			3b	60,000.

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
CHILDREN'S INSTITUTE, INC. 711 S. NEW HAMPSHIRE AVE. LOS ANGELES, CA 90005	NONE	501C3	GENERAL OPERATING EXPENSE	15,000.
CHILDRENS HOSPITAL LOS ANGELES 4650 SUNSET BLVD. LOS ANGELES, CA 90027	NONE	501C3	GENERAL OPERATING EXPENSE	100,000.
CLASSICAL KUSC PO BOX 77913 LOS ANGELES, CA 90007	NONE	501C3	GENERAL OPERATING EXPENSE	5,000.
COUNCIL ON FOUNDATIONS 2121 CRYSTAL DRIVE, SUITE 700 ARLINGTON, VA 22202	NONE	501C3	GENERAL OPERATING EXPENSE	3,643.
COVENANT HOUSE 1325 N. WESTERN AVE. LOS ANGELES, CA 90027	NONE	501C3	GENERAL OPERATING EXPENSE	25,000.
EDUCATION CONSORTIUM OF CENTRAL LOS ANGELES 2801 S. HOOVER ST. LOS ANGELES, CA 90007	NONE	501C3	EDUCATION	2,000.
EPISCOPAL SCHOOL OF LOS ANGELES 506 NORTH CAMDEN DR. BEVERLY HILLS, CA 90210	NONE	501C3	GENERAL OPERATING EXPENSE	57,000.
FRIENDS OF THE LOS ANGELES RIVER 570 W. AVENUE 26 #250 LOS ANGELES, CA 90065	NONE	501C3	GENERAL OPERATING EXPENSE	50,000.
GOOD SHEPHERD CENTER FOR HOMELESS WOMEN & CHILDREN 1671 BEVERLY BLVD. LOS ANGELES, CA 90026	NONE	501C3	GENERAL OPERATING EXPENSE	10,000.
HARVARD BUSINESS SCHOOL SOLDIERS FIELD BOSTON, MA 02163	NONE	501C3	GENERAL OPERATING EXPENSE	250,000.
Total from continuation sheets				2,288,412.

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
HOLY FAMILY CATHOLIC CHURCH 1527 FREMONT AVE. SOUTH PASADENA, CA 91030	NONE	501C3	GENERAL OPERATING EXPENSE	5,000.
HOUSTON EAST END CHAMBER OF COMMERCE 550 GULFGATE CENTER HOUSTON, TX 77087	NONE	501C3	GENERAL OPERATING EXPENSE	5,000.
INNER CITY ARTS 720 KOHLER STREET LOS ANGELES, CA 90021	NONE	501C3	GENERAL OPERATING EXPENSE	1,000.
IRIDESCENT 532 WEST 22ND STREET LOS ANGELES, CA 90007	NONE	501C3	GENERAL OPERATING EXPENSE	25,000.
KCET 4401 W. SUNSET BLVD. LOS ANGELES, CA 90027	NONE	501C3	GENERAL OPERATING EXPENSE	2,500.
LA COUNTY HIGH SCHOOL FOR THE ARTS FOUNDATION 5151 STATE UNIVERSITY DR. LOS ANGELES, CA 90032	NONE	501C3	GENERAL OPERATING EXPENSE	1,252,500.
LA WORLD AFFAIRS COUNCIL 345 SOUTH FIGUEROA, STE 313 LOS ANGELES, CA 90071	NONE	501C3	GENERAL OPERATING EXPENSE	3,150.
LOS ANGELES SOCIAL VENTURE PARTNERS PO BOX 5762 PLAYA DEL REY, CA 90296	NONE	501C3	GENERAL OPERATING EXPENSE	15,000.
MARLBOROUGH SCHOOL 250 SOUTH ROSSMORE AVE. LOS ANGELES, CA 90004	NONE	501C3	EDUCATION	90,000.
MIND RESEARCH INSTITUTE 3631 S. HARBOR BLVD., SUITE 200 SANTA ANA, CA 92704	NONE	501C3	GENERAL OPERATING EXPENSE	150,000.
Total from continuation sheets				

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
NATIONAL CENTER FOR FAMILY PHILANTHROPY 1101 CPMMECTICUT AVE, STE 220 WASHINGTON, DC 20036	NONE	501C3	GENERAL OPERATING EXPENSE	1,000.
NATURAL HISTORY MUSEUM 900 EXPOSITION BLVD LOS ANGELES, CA 90007	NONE	501C3	GENERAL OPERATING EXPENSE	5,000.
NATURE CONSERVANCY 4245 NORTH FAIRFAX DRIVE, SUITE 100 ARLINGTON, VA 22203	NONE	501C3	GENERAL OPERATING EXPENSE	30,000.
OUR LADY OF LORETTO HIGH SCHOOL 2300 W PICO BLVD LOS ANGELES, CA 90006	NONE	501C3	GENERAL OPERATING EXPENSE	20,000.
P.S. ARTS 11965 VENICE BLVD., SUITE 201 LOS ANGELES, CA 90066	NONE	501C3	EDUCATION	46,204.
REGENTS OF THE UNIVERSITY OF CALIFORNIA 1111 FRANKLIN ST., 9TH FLOOR OAKLAND, CA 94607	NONE	501C3	GENERAL OPERATING EXPENSE	50,000.
SCRIPPS COLLEGE 1030 COLUMBIA AVE CLAREMONT, CA 91711	NONE	501C3	GENERAL OPERATING EXPENSE	5,000.
SOUTH CENTRAL SCHOLARS 29000 S WESTERN AVE. STE 401 RANCHO PALOS VERDES, CA 90275	NONE	501C3	GENERAL OPERATING EXPENSE	25,000.
SOUTHERN CALIFORNIA GRANTMAKERS 1000 NORTH ALAMEDA STREET, STE 230 LOS ANGELES, CA 90012	NONE	501C3	GENERAL OPERATING EXPENSE	600.
THE C.H.I.P.S. 2121 WEST TEMPLE STREET LOS ANGELES, CA 90026	NONE	501C3	GENERAL OPERATING EXPENSE	500.
Total from continuation sheets				

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
THE COLLEAGUES 470 WARNER AVE LOS ANGELES, CA 90024	NONE	501C3	GENERAL OPERATING EXPENSE	1,200.
TURNING POINT SCHOOL 8780 NATIONAL BLVD. CULVER CITY, CA 90232	NONE	501C3	GENERAL OPERATING EXPENSE	8,000.
UNIVERSITY OF SO CAL PHILANTHROPY AND PUB POL USC, LEWIS HALL 210 LOS ANGELES, CA 90089	NONE	501C3	GENERAL OPERATING EXPENSE	26,615.
URBAN COMPASS 11100 S CENTRAL AVE LOS ANGELES, CA 90059	NONE	501C3	GENERAL OPERATING EXPENSE	2,500.
Total from continuation sheets				

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Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	20,000 SHS PROSHARES TRUST II PROSHARES ULTRASHOR	P	VARIOUS	VARIOUS
b	FIDELITY INVESTMENTS	P	VARIOUS	VARIOUS
c	T. ROWE PRICE	P	VARIOUS	VARIOUS
d	K-1-PROSHARES ULTRASHORT SILVER	P	VARIOUS	VARIOUS
e	K-1-HOUSATONIC EQUITY II	P	VARIOUS	VARIOUS
f	K-1-HOUSATONIC MICRO FUND	P	VARIOUS	VARIOUS
g	K-1-HOUSATONIC EQUITY	P	VARIOUS	VARIOUS
h	K-1-OCM OPPS VIIB AIF	P	VARIOUS	VARIOUS
i	K-1-BOURGEON PARTNERS	P	VARIOUS	VARIOUS
j	K-1-OCM OPPS VIIB	P	VARIOUS	VARIOUS
k	K-1-ROCKWOOD EQUITY	P	VARIOUS	VARIOUS
l	K-1-OAKTREE VALUE OPPS FEEDER	P	VARIOUS	VARIOUS
m	K-1-BG TFH	P	VARIOUS	VARIOUS
n	K-1-BG SECH	P	VARIOUS	VARIOUS
o				

(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 274,596.		337,207.	-62,611.
b		-6,347.	6,347.
c		-1,312.	1,312.
d		111,144.	-111,144.
e		-2,809.	2,809.
f		-141,834.	141,834.
g		-74,131.	74,131.
h		-4,490.	4,490.
i		-21,504.	21,504.
j		-159,673.	159,673.
k		-2,660.	2,660.
l		-380,810.	380,810.
m		-56.	56.
n		4,693.	-4,693.
o			

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			-62,611.
b			6,347.
c			1,312.
d			-111,144.
e			2,809.
f			141,834.
g			74,131.
h			4,490.
i			21,504.
j			159,673.
k			2,660.
l			380,810.
m			56.
n			-4,693.
o			

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	617,178.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8 }	3	N/A

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	1
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
ALL DOCUMENTS - INTEREST	1,140.	0.	1,140.
CITY NATIONAL BANK-INTEREST	3,298.	0.	3,298.
FIDELITY	11.	0.	11.
GOLDMAN SACHS - DIVIDENDS	10.	0.	10.
GOLDMAN SACHS - INTEREST	2.	0.	2.
UNION BANK - INTEREST	295.	0.	295.
TOTAL TO FM 990-PF, PART I, LN 4	4,756.	0.	4,756.

FORM 990-PF	OTHER INCOME	STATEMENT	2
DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
PARTNERSHIP INVESTMENT INCOME	1,814,785.	0.	
K-1 - OTHER INCOME	0.	168,133.	
TOTAL TO FORM 990-PF, PART I, LINE 11	1,814,785.	168,133.	

FORM 990-PF	LEGAL FEES			STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
LEGAL FEES	160.	0.		160.	
TO FM 990-PF, PG 1, LN 16A	160.	0.		160.	

FORM 990-PF	ACCOUNTING FEES			STATEMENT	4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
ACCOUNTING	24,500.	6,125.		18,375.	
TO FORM 990-PF, PG 1, LN 16B	24,500.	6,125.		18,375.	

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
CONSULTING	7,710.	0.		7,710.	
MANAGEMENT FEE	516.	516.		0.	
TO FORM 990-PF, PG 1, LN 16C	8,226.	516.		7,710.	

FORM 990-PF	TAXES			STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FEDERAL EXCISE TAX	15,018.	0.		0.	
FOREIGN TAXES PAID	0.	10,894.		0.	
FTB	25.	0.		25.	
PAYROLL TAXES	6,164.	1,233.		4,931.	
RRF-1	150.	0.		150.	
TO FORM 990-PF, PG 1, LN 18	21,357.	12,127.		5,106.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
DUES & SUBSCRIPTION	2,581.	0.		2,581.	
FILING FEE	25.	0.		25.	
K-1 - CHARITABLE CONTRIBUTIONS	0.	0.		1,907.	
K-1 - PORTFOLIO DEDUCTIONS	0.	273,375.		0.	
MISCELLANEOUS	4,647.	0.		4,647.	
PAYROLL SERVICE CHARGE	902.	180.		722.	
TO FORM 990-PF, PG 1, LN 23	8,155.	273,555.		9,882.	

FORM 990-PF	CORPORATE STOCK		STATEMENT	8
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE		
NAT'L FIN SERV - LEGION PTN	1,116,118.	1,116,118.		
ALL DOCUMENTS INC.	60,000.	60,000.		
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,176,118.	1,176,118.		

FORM 990-PF	OTHER INVESTMENTS		STATEMENT	9
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE	
ABI NOTE RECEIVABLE	COST	400,000.	400,000.	
AMERICAN BIOSURGICAL LLC	COST	185,000.	185,000.	
BG SECH	COST	0.	0.	
BOURGEON PARTNERS, LP	COST	532,880.	532,880.	
G SACHS PRIVATE EQUITY ENERGY FUND	COST	639,595.	639,595.	
GOLDMAN SACHS VINTAGE FUND IV	COST	449,809.	449,809.	
GOLDMAN SACHS VINTAGE FUND V	COST	627,707.	627,707.	
GORDIAN CAPITAL, LLC	COST	121,866.	121,866.	
HOUSATONIC EQUITY INVESTORS II LP	COST	307,000.	307,000.	
HOUSATONIC EQUITY INVESTORS IV LP	COST	5,230,000.	5,230,000.	
HOUSATONIC EQUITY INVESTORS V	COST	226,000.	226,000.	
HOUSATONIC EQUITY PARTNERS L.P.	COST	656,000.	656,000.	
HOUSATONIC MICRO FUND	COST	1,074,000.	1,074,000.	
IBS OPPORTUNITY FUND	COST	796,000.	796,000.	
IRS PARTNERS 12	COST	2,710,873.	2,710,873.	

THE LEONETTI/O'CONNELL FAMILY FOUNDATION

20-3889415

OAKTREE VALUE OPPORTUNITIES FUND LP	COST	699,752.	699,752.
OCM OPPORTUNITIES FUND (CAYMAN)	COST	546.	546.
OCM OPPORTUNITIES FUND VIIB AIF (DELAWARE)	COST	77,778.	77,778.
OCM OPPORTUNITIES FUND VIIB, LP	COST	2,092,390.	2,092,390.
PEAK JOAQUIN HOLDINGS, LLC	COST	1,686,050.	1,686,050.
PEAK MOUNTAIN FUND LLC	COST	1,386,000.	1,386,000.
ROCKWOOD EQUITY PARTNERSHIP FUND LP	COST	507,307.	507,307.
SENATOR GLOBAL OPFS OFFSHORE FUND	COST	3,521,529.	3,521,529.
SERENT CAPITAL ASSOCIATES LP	COST	161,000.	161,000.
TENNENBAUM OPPORTUNITIES FUND V	COST	3,044,810.	3,044,810.
TRUMPET SEARCH LLC	COST	270,400.	270,400.
VERI-TAX HOLDINGS	COST	305,231.	305,231.
WEST COAST COLD, LLC	COST	0.	0.
LINEAR LOGISTICS	COST	2,000,000.	2,000,000.
FELLOWSHIP CAPITAL	COST	100,000.	100,000.
TOTAL TO FORM 990-PF, PART II, LINE 13		29,809,523.	29,809,523.

FORM 990-PF	OTHER ASSETS		STATEMENT 10
DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
DISTRIBUTION RECEIVABLE	0.	2,654,485.	2,654,485.
GOLDMAN SACHS - OTHER COMMODITIES	0.	565,238.	565,238.
PREPAID FEDERAL EXCISE TAX	0.	18,120.	18,120.
TO FORM 990-PF, PART II, LINE 15	0.	3,237,843.	3,237,843.

FORM 990-PF	PART XV - LINE 1A LIST OF FOUNDATION MANAGERS	STATEMENT 11
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NAME OF MANAGER

MARGO L. O'CONNELL
MICHAEL F. O'CONNELL

FORM 990-PF

PART XV - LINE 1B
LIST OF FOUNDATION MANAGERS

STATEMENT 12

NAME OF MANAGER

CARA ESPOSITO
MARGO L. O'CONNELL
MICHAEL F. O'CONNELL