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

2011

For calendar year 2011 or tax year beginning , and ending

Name of foundation: BAILEY FAMILY FOUNDATION, INC.

A Employer identification number: 22-3768811

Number and street (or P O box number if mail is not delivered to street address): 7839 VIZCAYA WAY | Room/suite

B Telephone number: (239)598-4848

City or town, state, and ZIP code: NAPLES, FL 34108

C If exemption application is pending, check here ☐

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

D 1. Foreign organizations, check here ☐
2 Foreign organizations meeting the 85% test, check here and attach computation ☐

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

E If private foundation status was terminated under section 507(b)(1)(A), check here ☐

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶$ 1,105,630.

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

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	1.	1.		STATEMENT 1
	4 Dividends and interest from securities	58,026.	58,026.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	37,212.			
	b Gross sales price for all assets on line 6a 592,243.				
	7 Capital gain net income (from Part IV, line 2)		37,212.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
	12 Total. Add lines 1 through 11	95,239.	95,239.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 3	3,500.	0.		0.
	c Other professional fees STMT 4	10,000.	10,000.		0.
	17 Interest				
	18 Taxes STMT 5	106.	106.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses				
	24 Total operating and administrative expenses. Add lines 13 through 23	13,606.	10,106.		0.
	25 Contributions, gifts, grants paid	253,115.			253,115.
	26 Total expenses and disbursements Add lines 24 and 25	266,721.	10,106.		253,115.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-171,482.			
	b Net investment income (if negative, enter -0-)		85,133.		
	c Adjusted net income (if negative, enter -0-)			N/A	

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123501 12-02-11 LHA For Paperwork Reduction Act Notice, see instructions

Form **990-PF** (2011)

17160508 798362 223768811 2011.03050 BAILEY FAMILY FOUNDATION, I 22376882

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	7,543.	4,559.	4,559.
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶			
		Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons			
	7	Other notes and loans receivable ▶			
		Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments - U S and state government obligations STMT 6	0.	76,547.	76,256.
	b	Investments - corporate stock			
	c	Investments - corporate bonds STMT 7	789,900.	549,064.	580,690.
	11	Investments - land, buildings, and equipment basis ▶			
		Less accumulated depreciation ▶			
	12	Investments - mortgage loans			
	13	Investments - other STMT 8	468,005.	463,796.	444,125.
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation ▶			
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers)	1,265,448.	1,093,966.	1,105,630.
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable			
	22	Other liabilities (describe ▶)			
	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.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ [X] and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	0.	0.	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund	0.	0.	
	29	Retained earnings, accumulated income, endowment, or other funds	1,265,448.	1,093,966.	
	30	**Total net assets or fund balances**	1,265,448.	1,093,966.	
	31	**Total liabilities and net assets/fund balances**	1,265,448.	1,093,966.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,265,448.
2	Enter amount from Part I, line 27a	2	-171,482.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	1,093,966.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,093,966.

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	SEE STATEMENT D-1	P	VARIOUS	VARIOUS
b	CAPITAL GAINS DIVIDENDS			
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	588,482.		555,031.	33,451.
b	3,761.			3,761.
c				
d				
e				

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				33,451.
b				3,761.
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	37,212.
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	237,368.	1,338,067.	.177396
2009	251,624.	1,380,001.	.182336
2008	147,589.	1,840,313.	.080198
2007	212,242.	2,128,883.	.099696
2006	143,278.	2,081,006.	.068850

2 Total of line 1, column (d)	2	.608476
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	.121695
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	1,209,767.
5 Multiply line 4 by line 3	5	147,223.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	851.
7 Add lines 5 and 6	7	148,074.
8 Enter qualifying distributions from Part XII, line 4	8	253,115.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1				
Date of ruling or determination letter ______ (attach copy of letter if necessary-see instructions)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b			1	851.
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	851.
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	851.
6 Credits/Payments				
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	68.		
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	68.
8 Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached			8	19.
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	802.
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	
11 Enter the amount of line 10 to be **Credited to 2012 estimated tax** ▶	**Refunded** ▶		11	

Part VII-A **Statements Regarding Activities**

		Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ $ 0. (2) On foundation managers ▶ $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ CT			
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses STMT 9	10	X	

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

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		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?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ JAMES L. BAILEY Telephone no ▶ (239)598-4848

Located at ▶ 7839 VIZCAYA WAY, NAPLES, FL ZIP+4 ▶ 34108

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

			Yes	No
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?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶			

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

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

			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)? N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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? ☐ Yes ☒ No			
	If "Yes," list the years ▶ ____, ____, ____, ____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions) N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ ____, ____, ____, ____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 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?	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

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
JAMES L. BAILEY 7839 VIZCAYA WAY NAPLES, FL 34108	DIRECTOR/PRESIDENT AS REQ'D	0.	0.	0.
JUDITH A. BAILEY 7839 VIZCAYA WAY NAPLES, FL 34108	DIRECTOR/VICE-PRESIDENT AS REQ'D	0.	0.	0.
SARA F. BAILEY 278 JUNIPER STREET BOULDER, CO 80304	DIRECTOR/SECRETARY AS REQ'D	0.	0.	0.
ELIZABETH BAILEY RODGERS 39 EAST 29TH STREET NEW YORK, NY 10016	DIRECTOR/TREASURER AS REQ'D	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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)*

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ▶	0.

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17160508 798362 223768811 2011.03050 BAILEY FAMILY FOUNDATION, I 22376882

Part X Minimum Investment Return (All domestic foundations must complete this part Foreign foundations, see instructions)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	1,214,698.
b	Average of monthly cash balances	1b	13,492.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	1,228,190.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e: 0.		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	1,228,190.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	18,423.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,209,767.
6	**Minimum investment return** Enter 5% of line 5	6	60,488.

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	60,488.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	851.		
b	Income tax for 2011 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	851.
3	Distributable amount before adjustments Subtract line 2c from line 1			3	59,637.
4	Recoveries of amounts treated as qualifying distributions			4	0.
5	Add lines 3 and 4			5	59,637.
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	59,637.

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	253,115.
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	253,115.
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	851.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	252,264.

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				59,637.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			0.	
b Total for prior years ____, ____, ____		0.		
3 Excess distributions carryover, if any, to 2011				
a From 2006 48,072.				
b From 2007 109,676.				
c From 2008 57,375.				
d From 2009 183,756.				
e From 2010 172,361.				
f Total of lines 3a through e	571,240.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ $ 253,115.				
a Applied to 2010, but not more than line 2a			0.	
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				59,637.
e Remaining amount distributed out of corpus	193,478.			
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	764,718.			
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				0.
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	48,072.			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	716,646.			
10 Analysis of line 9				
a Excess from 2007 109,676.				
b Excess from 2008 57,375.				
c Excess from 2009 183,756.				
d Excess from 2010 172,361.				
e Excess from 2011 193,478.				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year-see 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))

JAMES L. BAILEY

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

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

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

Recipient: Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
BGSU FOUNDATION BOWLING GREEN, OH 43403	NONE	PUBLIC	EDUCATIONAL PURPOSES	53,115.
CATHEDRAL EDUCATION CLUSTER INITIATIVE BRIDGEPORT, CT 06604	NONE	PUBLIC	RELIGIOUS PURPOSES	60,500.
DIOCESE OF BRIDGEPORT 238 JEWETT AVENUE BRIDGEPORT, CT 06606	NONE	PUBLIC	RELIGIOUS PURPOSES	123,000.
IMMOKALEE FOUNDATION 1390 NORTH 15TH STREET IMMOKALEE, FL 34142	NONE	PUBLIC	SOCIAL PURPOSES	16,500.
Total			▶ 3a	253,115.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	1.	
4 Dividends and interest from securities			14	58,026.	
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	37,212.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0.		95,239.	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 95,239.

(See worksheet in line 13 instructions to verify calculations)

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

Line No ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes)

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

		Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash	1a(1)		X
(2) Other assets	1a(2)		X
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
(3) Rental of facilities, equipment, or other assets	1b(3)		X
(4) Reimbursement arrangements	1b(4)		X
(5) Loans or loan guarantees	1b(5)		X
(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

Signature of officer or trustee: [signature] | Date: 5/11/12 | Title: President

May the IRS discuss this return with the preparer shown below (see instr)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
JOHN M. DANISH	John M Danish	5/9/12		P00173472

Firm's name ▶ CLARFELD FINANCIAL ADVISORS, INC. | Firm's EIN ▶ 13-3147357

Firm's address ▶ 560 WHITE PLAINS ROAD, 5TH FLOOR TARRYTOWN, NY 10591-5112 | Phone no 914-846-0100

Realized Gains and Losses
Fiscal Year Ending 12/31/2011

STATEMENT D-1

Family Foundation Bailey Schwab One Acct # 27135651

Realized Gains and Losses

Description	Date Acquired	Date Sold	Quantity	Net Proceeds	Cost	Short Term Gains	Total Long Gains	Total Gains
Loomis Sayles Bond Fund	11/10/2006	01/11/2011	379 230	5,437	5,486		(50)	(50)
Loomis Sayles Bond Fund	12/15/2006	01/11/2011	115 558	1,657	1,655		2	2
Loomis Sayles Bond Fund	03/23/2007	01/11/2011	85 202	1,221	1,228		(6)	(6)
Loomis Sayles Bond Fund	06/19/2007	01/11/2011	1,510 602	21,655	22,167		(512)	(512)
			2,090.592	29,970	30,536		(566)	(566)
Metropolitan West Total	01/11/2010	01/11/2011	3,487.039	36,237	35,000	1,237		1,237
Metropolitan West Total	01/29/2010	01/11/2011	10 442	109	106	3		3
Metropolitan West Total	02/26/2010	01/11/2011	12 736	132	129	3		3
Metropolitan West Total	03/31/2010	01/11/2011	15 171	158	154	4		4
Metropolitan West Total	04/30/2010	01/11/2011	14.810	154	153	1		1
Metropolitan West Total	05/28/2010	01/11/2011	14.369	149	148	2		2
Metropolitan West Total	06/30/2010	01/11/2011	15 667	163	163	0		0
Metropolitan West Total	07/30/2010	01/11/2011	13.142	137	138	(1)		(1)
Metropolitan West Total	08/31/2010	01/11/2011	13.353	139	142	(3)		(3)
Metropolitan West Total	09/30/2010	01/11/2011	14.016	146	150	(4)		(4)
Metropolitan West Total	10/29/2010	01/11/2011	13 147	137	141	(5)		(5)
Metropolitan West Total	11/30/2010	01/11/2011	13.612	141	145	(4)		(4)
Metropolitan West Total	12/13/2010	01/11/2011	21.804	227	226	1		1
Metropolitan West Total	12/13/2010	01/11/2011	37 463	389	388	1		1
Metropolitan West Total	12/31/2010	01/11/2011	13 855	144	144	0		0
			3,710.626	38,561	37,326	1,235		1,235
Loomis Sayles Global Bd	11/10/2006	02/14/2011	605.694	9,976	9,513		463	463
PIMCo Total Return Fd Inst	06/30/2003	03/08/2011	17 938	195	197		(2)	(2)
PIMCo Total Return Fd Inst	07/31/2003	03/08/2011	113.775	1,236	1,201		34	34
PIMCo Total Return Fd Inst	08/29/2003	03/08/2011	122 092	1,326	1,297		30	30
PIMCo Total Return Fd Inst	09/30/2003	03/08/2011	122.054	1,326	1,329		(3)	(3)
PIMCo Total Return Fd Inst	10/31/2003	03/08/2011	113.399	1,232	1,224		8	8
PIMCo Total Return Fd Inst	11/28/2003	03/08/2011	101.457	1,102	1,095		7	7
PIMCo Total Return Fd Inst	12/10/2003	03/08/2011	181.654	1,973	1,936		37	37
PIMCo Total Return Fd Inst	12/10/2003	03/08/2011	550.987	5,985	5,874		111	111
PIMCo Total Return Fd Inst	12/31/2003	03/08/2011	114.128	1,240	1,222		17	17
PIMCo Total Return Fd Inst	01/30/2004	03/08/2011	89.902	977	967		9	9
PIMCo Total Return Fd Inst	02/27/2004	03/08/2011	63 496	690	690		(1)	(1)
PIMCo Total Return Fd Inst	03/31/2004	03/08/2011	85 745	931	938		(7)	(7)
PIMCo Total Return Fd Inst	04/30/2004	03/08/2011	83.834	911	895		16	16
PIMCo Total Return Fd Inst	05/28/2004	03/08/2011	92.306	1,003	979		23	23
PIMCo Total Return Fd Inst	06/30/2004	03/08/2011	81 574	886	868		18	18

Realized Gains and Losses

Fiscal Year Ending 12/31/2011

STATEMENT D-1

Family Foundation Bailey Schwab One Acct # 27135651

Realized Gains and Losses

Description	Date Acquired	Date Sold	Quantity	Net Proceeds	Cost	Short Term Gains	Total Long Gains	Total Gains
PIMCo Total Return Fd Inst	07/30/2004	03/08/2011	99 679	1,083	1,070		13	13
PIMCo Total Return Fd Inst	08/31/2004	03/08/2011	92 490	1,005	1,010		(5)	(5)
PIMCo Total Return Fd Inst	09/30/2004	03/08/2011	77 694	844	848		(5)	(5)
PIMCo Total Return Fd Inst	10/29/2004	03/08/2011	84.035	913	925		(12)	(12)
PIMCo Total Return Fd Inst	11/30/2004	03/08/2011	92 916	1,009	1,017		(8)	(8)
PIMCo Total Return Fd Inst	12/13/2004	03/08/2011	626.331	6,803	6,695		108	108
PIMCo Total Return Fd Inst	12/13/2004	03/08/2011	672.367	7,303	7,188		116	116
			3,679 853	39,970	39,466		504	504
DFA US Lge Co Inst	03/09/2004	06/15/2011	53 368	531	478		53	53
DFA US Lge Co Inst	06/08/2004	06/15/2011	119 259	1,188	1,070		117	117
DFA US Lge Co Inst	09/08/2004	06/15/2011	137.350	1,368	1,205		163	163
DFA US Lge Co Inst	12/20/2004	06/15/2011	293 744	2,925	2,747		178	178
DFA US Lge Co Inst	03/08/2005	06/15/2011	84.549	842	808		34	34
DFA US Lge Co Inst	06/08/2005	06/15/2011	131 438	1,309	1,232		77	77
DFA US Lge Co Inst	09/08/2005	06/15/2011	164 451	1,638	1,589		49	49
DFA US Lge Co Inst	12/19/2005	06/15/2011	217 823	2,169	2,150		19	19
DFA US Lge Co Inst	03/08/2006	06/15/2011	93 899	935	942		(7)	(7)
DFA US Lge Co Inst	06/08/2006	06/15/2011	170 897	1,702	1,687		15	15
DFA US Lge Co Inst	09/08/2006	06/15/2011	162 496	1,618	1,656		(38)	(38)
DFA US Lge Co Inst	11/10/2006	06/15/2011	878 249	8,746	9,555		(810)	(810)
			2,507 523	24,970	25,121		(151)	(151)
DFA US Small Cap Port	09/10/2001	06/15/2011	1,163 332	24,970	16,097		8,873	8,873
Loomis Sayles Bond Fund	06/19/2007	06/15/2011	1,896.697	28,016	27,833		184	184
Loomis Sayles Bond Fund	06/22/2007	06/15/2011	151 715	2,241	2,176		65	65
Loomis Sayles Bond Fund	07/24/2007	06/15/2011	51 220	757	741		16	16
Loomis Sayles Bond Fund	08/28/2007	06/15/2011	52 528	776	751		25	25
Loomis Sayles Bond Fund	09/25/2007	06/15/2011	53 732	794	784		9	9
Loomis Sayles Bond Fund	10/30/2007	06/15/2011	52 413	774	785		(11)	(11)
Loomis Sayles Bond Fund	11/27/2007	06/15/2011	55 226	816	810		6	6
Loomis Sayles Bond Fund	12/14/2007	06/15/2011	119 577	1,766	1,717		49	49
Loomis Sayles Bond Fund	01/29/2008	06/15/2011	43 239	639	629		10	10
Loomis Sayles Bond Fund	02/26/2008	06/15/2011	55 114	814	793		22	22
Loomis Sayles Bond Fund	03/25/2008	06/15/2011	67 801	1,002	956		46	46
Loomis Sayles Bond Fund	04/28/2008	06/15/2011	61 601	910	882		28	28
Loomis Sayles Bond Fund	05/27/2008	06/15/2011	64 764	957	929		28	28
Loomis Sayles Bond Fund	06/24/2008	06/15/2011	68.403	1,010	959		51	51
Loomis Sayles Bond Fund	07/29/2008	06/15/2011	71 193	1,052	968		83	83
Loomis Sayles Bond Fund	08/26/2008	06/15/2011	70 390	1,040	943		97	97
Loomis Sayles Bond Fund	09/23/2008	06/15/2011	78 143	1,154	974		180	180

Realized Gains and Losses

Fiscal Year Ending 12/31/2011

STATEMENT D-1

Family Foundation Bailey   Schwab One   Acct # 27135651

Realized Gains and Losses

Description	Date Acquired	Date Sold	Quantity	Net Proceeds	Cost	Short Term Gains	Total Long Gains	Total Gains
Loomis Sayles Bond Fund	10/28/2008	06/15/2011	93 589	1,382	932		450	450
Loomis Sayles Bond Fund	11/19/2008	06/15/2011	275 605	4,071	2,740		1,332	1,332
			3,382 950	49,970	47,301		2,669	2,669
PIMCo Total Return Fd Inst	12/13/2004	06/15/2011	97 134	1,070	1,038		31	31
PIMCo Total Return Fd Inst	12/31/2004	06/15/2011	126.983	1,399	1,355		44	44
PIMCo Total Return Fd Inst	01/31/2005	06/15/2011	97 753	1,077	1,044		33	33
PIMCo Total Return Fd Inst	02/28/2005	06/15/2011	87 235	961	926		34	34
PIMCo Total Return Fd Inst	03/31/2005	06/15/2011	116.065	1,278	1,227		51	51
PIMCo Total Return Fd Inst	04/29/2005	06/15/2011	138 555	1,526	1,483		43	43
PIMCo Total Return Fd Inst	05/31/2005	06/15/2011	143 614	1,582	1,550		32	32
PIMCo Total Return Fd Inst	06/30/2005	06/15/2011	152 487	1,679	1,648		31	31
PIMCo Total Return Fd Inst	07/29/2005	06/15/2011	156.384	1,722	1,672		51	51
PIMCo Total Return Fd Inst	08/31/2005	06/15/2011	154.346	1,700	1,667		33	33
PIMCo Total Return Fd Inst	09/30/2005	06/15/2011	166 975	1,839	1,778		61	61
PIMCo Total Return Fd Inst	10/31/2005	06/15/2011	156 588	1,725	1,647		77	77
PIMCo Total Return Fd Inst	11/30/2005	06/15/2011	175 759	1,936	1,849		87	87
PIMCo Total Return Fd Inst	12/14/2005	06/15/2011	1 001	11	10		1	1
PIMCo Total Return Fd Inst	12/14/2005	06/15/2011	377 199	4,154	3,949		205	205
PIMCo Total Return Fd Inst	12/30/2005	06/15/2011	0 691	8	7		0	0
PIMCo Total Return Fd Inst	12/30/2005	06/15/2011	195 428	2,152	2,052		100	100
PIMCo Total Return Fd Inst	01/31/2006	06/15/2011	165.983	1,828	1,740		89	89
PIMCo Total Return Fd Inst	02/28/2006	06/15/2011	164.307	1,810	1,722		88	88
PIMCo Total Return Fd Inst	03/31/2006	06/15/2011	204.836	2,256	2,116		140	140
PIMCo Total Return Fd Inst	04/28/2006	06/15/2011	173 272	1,908	1,785		124	124
PIMCo Total Return Fd Inst	05/31/2006	06/15/2011	192 185	2,117	1,966		151	151
PIMCo Total Return Fd Inst	06/30/2006	06/15/2011	210.873	2,322	2,147		176	176
PIMCo Total Return Fd Inst	07/31/2006	06/15/2011	185 729	2,046	1,913		132	132
PIMCo Total Return Fd Inst	08/31/2006	06/15/2011	199.125	2,193	2,073		120	120
PIMCo Total Return Fd Inst	09/29/2006	06/15/2011	206 077	2,270	2,154		116	116
PIMCo Total Return Fd Inst	10/31/2006	06/15/2011	198 871	2,190	2,082		108	108
PIMCo Total Return Fd Inst	11/30/2006	06/15/2011	175 829	1,936	1,855		81	81
PIMCo Total Return Fd Inst	12/13/2006	06/15/2011	115 921	1,277	1,213		64	64
			4,537 205	49,970	47,667		2,303	2,303
Loomis Sayles Global Bd	11/10/2006	08/12/2011	982.521	17,061	15,431		1,630	1,630
Loomis Sayles Global Bd	12/15/2006	08/12/2011	92 288	1,603	1,423		179	179
Loomis Sayles Global Bd	06/19/2007	08/12/2011	823.925	14,307	12,745		1,562	1,562
			1,898 734	32,970	29,599		3,371	3,371

Realized Gains and Losses
Fiscal Year Ending 12/31/2011

STATEMENT D-1

Family Foundation Bailey   Schwab One   Acct #: 27135651

Realized Gains and Losses

Description	Date Acquired	Date Sold	Quantity	Net Proceeds	Cost	Short Term Gains	Total Long Gains	Total Gains
PIMCo Real Ret Bd Fd Inst	11/19/2008	08/12/2011	4,742.437	57,970	45,634		12,336	12,336
PIMCo Low Duration Fd Inst	10/06/2010	08/24/2011	1,443 696	14,975	15,427	(452)		(452)
Ridgeworth US Gov Sec	08/12/2011	11/16/2011	1,485 149	15,000	15,000	0		0
AQR Managed Futures	04/30/2010	12/06/2011	2,997 000	28,442	30,000		(1,558)	(1,558)
AQR Managed Futures	12/17/2010	12/06/2011	13.348	127	135	(9)		(9)
AQR Managed Futures	12/17/2010	12/06/2011	25.909	246	262	(17)		(17)
AQR Managed Futures	12/17/2010	12/06/2011	30.904	293	313	(20)		(20)
			3,067 161	29,108	30,711	(45)	(1,558)	(1,603)
PIMCo Total Return Fd Inst	12/13/2006	12/07/2011	30 817	334	322		12	12
PIMCo Total Return Fd Inst	12/29/2006	12/07/2011	177 118	1,921	1,838		83	83
PIMCo Total Return Fd Inst	01/31/2007	12/07/2011	155 721	1,689	1,607		82	82
PIMCo Total Return Fd Inst	02/28/2007	12/07/2011	161.154	1,748	1,684		64	64
PIMCo Total Return Fd Inst	03/30/2007	12/07/2011	180 945	1,963	1,887		76	76
PIMCo Total Return Fd Inst	04/30/2007	12/07/2011	166 283	1,804	1,731		73	73
PIMCo Total Return Fd Inst	05/31/2007	12/07/2011	189 602	2,057	1,938		119	119
PIMCo Total Return Fd Inst	06/19/2007	12/07/2011	979 967	10,631	10,000		631	631
PIMCo Total Return Fd Inst	06/29/2007	12/07/2011	184 347	2,000	1,873		127	127
PIMCo Total Return Fd Inst	07/31/2007	12/07/2011	178.044	1,931	1,823		108	108
PIMCo Total Return Fd Inst	08/31/2007	12/07/2011	212.314	2,303	2,193		110	110
PIMCo Total Return Fd Inst	09/28/2007	12/07/2011	167 730	1,820	1,759		60	60
PIMCo Total Return Fd Inst	10/31/2007	12/07/2011	196 773	2,135	2,078		57	57
PIMCo Total Return Fd Inst	11/30/2007	12/07/2011	203 176	2,204	2,186		18	18
PIMCo Total Return Fd Inst	12/12/2007	12/07/2011	281.856	3,058	2,993		64	64
PIMCo Total Return Fd Inst	12/31/2007	12/07/2011	180 964	1,963	1,935		29	29
PIMCo Total Return Fd Inst	01/31/2008	12/07/2011	178.585	1,937	1,964		(27)	(27)
PIMCo Total Return Fd Inst	02/29/2008	12/07/2011	198 949	2,158	2,182		(24)	(24)
PIMCo Total Return Fd Inst	03/31/2008	12/07/2011	172.036	1,866	1,877		(11)	(11)
PIMCo Total Return Fd Inst	04/30/2008	12/07/2011	188 700	2,047	2,059		(12)	(12)
PIMCo Total Return Fd Inst	05/30/2008	12/07/2011	197.926	2,147	2,132		15	15
PIMCo Total Return Fd Inst	06/30/2008	12/07/2011	194 471	2,110	2,067		42	42
PIMCo Total Return Fd Inst	07/31/2008	12/07/2011	193.158	2,095	2,047		48	48
PIMCo Total Return Fd Inst	08/29/2008	12/07/2011	197.966	2,148	2,110		37	37
PIMCo Total Return Fd Inst	09/30/2008	12/07/2011	184 094	1,997	1,892		105	105
PIMCo Total Return Fd Inst	10/31/2008	12/07/2011	217 694	2,362	2,207		154	154
PIMCo Total Return Fd Inst	11/28/2008	12/07/2011	184.369	2,000	1,899		101	101
PIMCo Total Return Fd Inst	12/10/2008	12/07/2011	753 148	8,170	7,456		714	714
PIMCo Total Return Fd Inst	12/10/2008	12/07/2011	1,322 244	14,344	13,090		1,254	1,254
PIMCo Total Return Fd Inst	12/31/2008	12/07/2011	210 529	2,284	2,135		149	149

Realized Gains and Losses
Fiscal Year Ending 12/31/2011

STATEMENT D-1

Family Foundation Bailey Schwab One Acct # 27135651

Realized Gains and Losses

Description	Date Acquired	Date Sold	Quantity	Net Proceeds	Cost	Short Term Gains	Total Long Gains	Total Gains
PIMCo Total Return Fd Inst	01/30/2009	12/07/2011	225.847	2,450	2,292		158	158
PIMCo Total Return Fd Inst	02/27/2009	12/07/2011	241 435	2,619	2,417		202	202
PIMCo Total Return Fd Inst	03/31/2009	12/07/2011	232.960	2,527	2,360		167	167
PIMCo Total Return Fd Inst	04/30/2009	12/07/2011	223 671	2,426	2,286		140	140
PIMCo Total Return Fd Inst	05/29/2009	12/07/2011	210 807	2,287	2,199		88	88
PIMCo Total Return Fd Inst	06/30/2009	12/07/2011	196 682	2,134	2,055		78	78
PIMCo Total Return Fd Inst	07/31/2009	12/07/2011	188 206	2,042	2,001		41	41
PIMCo Total Return Fd Inst	08/31/2009	12/07/2011	182 305	1,978	1,965		12	12
PIMCo Total Return Fd Inst	09/30/2009	12/07/2011	171 032	1,855	1,868		(12)	(12)
PIMCo Total Return Fd Inst	10/30/2009	12/07/2011	156.832	1,701	1,716		(14)	(14)
PIMCo Total Return Fd Inst	11/10/2009	12/07/2011	2,282 453	24,760	25,000		(240)	(240)
PIMCo Total Return Fd Inst	11/30/2009	12/07/2011	130 832	1,419	1,444		(25)	(25)
PIMCo Total Return Fd Inst	12/09/2009	12/07/2011	88 264	957	961		(4)	(4)
PIMCo Total Return Fd Inst	12/09/2009	12/07/2011	317 307	3,442	3,455		(13)	(13)
PIMCo Total Return Fd Inst	12/31/2009	12/07/2011	129 023	1,400	1,393		6	6
PIMCo Total Return Fd Inst	01/29/2010	12/07/2011	97 508	1,058	1,069		(11)	(11)
PIMCo Total Return Fd Inst	02/26/2010	12/07/2011	96 066	1,042	1,056		(14)	(14)
PIMCo Total Return Fd Inst	03/31/2010	12/07/2011	100 655	1,092	1,111		(19)	(19)
PIMCo Total Return Fd Inst	04/30/2010	12/07/2011	99 346	1,078	1,106		(28)	(28)
PIMCo Total Return Fd Inst	05/28/2010	12/07/2011	76.866	834	853		(19)	(19)
PIMCo Total Return Fd Inst	06/30/2010	12/07/2011	84 815	920	955		(35)	(35)
PIMCo Total Return Fd Inst	07/30/2010	12/07/2011	83 881	910	956		(46)	(46)
PIMCo Total Return Fd Inst	08/31/2010	12/07/2011	77.139	837	890		(53)	(53)
PIMCo Total Return Fd Inst	09/30/2010	12/07/2011	79 003	857	916		(59)	(59)
PIMCo Total Return Fd Inst	10/29/2010	12/07/2011	65 908	715	770		(55)	(55)
PIMCo Total Return Fd Inst	11/30/2010	12/07/2011	63 964	694	735		(41)	(41)
PIMCo Total Return Fd Inst	12/08/2010	12/07/2011	347 181	3,766	3,750	17		17
PIMCo Total Return Fd Inst	12/08/2010	12/07/2011	759 286	8,237	8,200	37		37
PIMCo Total Return Fd Inst	12/31/2010	12/07/2011	74.703	810	811	0		0
PIMCo Total Return Fd Inst	01/31/2011	12/07/2011	61 921	672	672	0		0
PIMCo Total Return Fd Inst	02/28/2011	12/07/2011	64.155	696	698	(2)		(2)
PIMCo Total Return Fd Inst	03/31/2011	12/07/2011	59 107	641	643	(2)		(2)
PIMCo Total Return Fd Inst	04/29/2011	12/07/2011	56 200	610	620	(10)		(10)
PIMCo Total Return Fd Inst	05/31/2011	12/07/2011	56 529	613	625	(12)		(12)
PIMCo Total Return Fd Inst	06/30/2011	12/07/2011	48 677	528	535	(7)		(7)
PIMCo Total Return Fd Inst	07/29/2011	12/07/2011	39.454	428	438	(10)		(10)
PIMCo Total Return Fd Inst	08/31/2011	12/07/2011	37 358	405	411	(6)		(6)
PIMCo Total Return Fd Inst	09/30/2011	12/07/2011	43 170	468	466	3		3
PIMCo Total Return Fd Inst	10/31/2011	12/07/2011	42 462	461	463	(3)		(3)

Realized Gains and Losses

Fiscal Year Ending 12/31/2011

STATEMENT D-1

Family Foundation Bailey   Schwab One   Acct # 27135651

Realized Gains and Losses

Description	Date Acquired	Date Sold	Quantity	Net Proceeds	Cost	Short Term Gains	Total Long Gains	Total Gains
PIMCo Total Return Fd Inst	11/30/2011	12/07/2011	46.704	507	503	3		3
			15,680 394	170,102	165,634	7	4,462	4,469
Short Term Gains				88,043	87,299	744		
Total Long Gains				500,438	467,732		32,707	
Total (Sales)				588,482	555,031	744	32,707	33,451
Total Gains						**744**	**32,707**	**33,451**

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
SCHWAB INSTITUTIONAL	1.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	1.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
SCHWAB INSTITUTIONAL	61,787.	3,761.	58,026.
TOTAL TO FM 990-PF, PART I, LN 4	61,787.	3,761.	58,026.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	3,500.	0.		0.
TO FORM 990-PF, PG 1, LN 16B	3,500.	0.		0.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT ADVISORY FEES	10,000.	10,000.		0.
TO FORM 990-PF, PG 1, LN 16C	10,000.	10,000.		0.

FORM 990-PF TAXES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	106.	106.		0.
TO FORM 990-PF, PG 1, LN 18	106.	106.		0.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 6

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
SEE STATEMENT 12	X		76,547.	76,256.
TOTAL U.S. GOVERNMENT OBLIGATIONS			76,547.	76,256.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			76,547.	76,256.

FORM 990-PF CORPORATE BONDS STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE STATEMENT 11	549,064.	580,690.
TOTAL TO FORM 990-PF, PART II, LINE 10C	549,064.	580,690.

FORM 990-PF OTHER INVESTMENTS STATEMENT 8

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SEE STATEMENT 10	COST	463,796.	444,125.
TOTAL TO FORM 990-PF, PART II, LINE 13		463,796.	444,125.

FORM 990-PF	LIST OF SUBSTANTIAL CONTRIBUTORS PART VII-A, LINE 10	STATEMENT 9

NAME OF CONTRIBUTOR	ADDRESS
JAMES L. BAILEY	7839 VIZCAYA WAY NAPLES, FL 34108

# Shs	Description	Book Value	Fair Market Value
936.910	DFA Real Estate Securities Portfolic	22,271	21,633
2,827.920	DFA U.S. Small Cap Port	47,652	57,895
3,721.192	DFA U.S. Large Co Port	37,604	36,840
10,269.222	Pimco Commodity Real Return Strategy Fd Instl	104,669	67,161
538.016	Vanguard Energy Fund	31,349	32,265
3,101.435	DFA Large Cap Intl Port	53,592	52,414
3,097.691	Cullen High Dividend	30,241	40,239
590.525	DFA Emerging Markets	10,444	10,181
4,756.258	Hussman Strategic Growth	60,424	59,120
4,848.289	Gold Sachs Tr Comm Str Fd	24,218	28,556
4,053.633	Loomis Sayles Absolute	41,332	37,821
		463,796	444,125

# Shs	Description	Book Value	Fair Market Value
5,390.601	Doubleline Total Return	59,700	59,458
4,096.252	GS Local Emerg Debt	36,310	35,392
4,543.547	Loomis Sayles Bond Fund	50,301	63,292
3,195.050	Loomis Sayles Global Bond	49,149	52,622
3,824.769	Pimco Low Duration Fd Inst	40,802	39,357
7,500.600	Pimco Real Return Bond Fund Inst	74,210	88,432
4,304.118	Pimco Foreign Bond Unhd I	43,217	46,872
2,659.756	Rivernorth Doubleline	28,276	28,193
15,188.361	Vanguard Total BD Mkt	167,099	167,072
		549,064	580,690

# Shs	Description	Book Value	Fair Market Value
2,931.102	SIT US Government Secs	33,325	33034
4,279.429	Ridgeworth US Gov Secs	43,222	43222
		76,547	76,256