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
HERSEY FOUNDATION

A Employer identification number
23-7001771

Number and street (or P O box number if mail is not delivered to street address)
408 ST. PETER STREET

Room/suite
#434

B Telephone number
(651)298-0218

City or town, state, and ZIP code
ST. PAUL, MN 55102-1119

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)* ▶$ 7,839,070.53

J Accounting method: ☐ Cash [X] 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	41.41	41.41		STATEMENT 1
	4 Dividends and interest from securities	269,493.40	269,493.40		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	89,669.00			
	b Gross sales price for all assets on line 6a 791,062.37				
	7 Capital gain net income (from Part IV, line 2)		89,669.00		
	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	359,203.81	359,203.81		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.00	0.00		0.00
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 3	20,400.00	0.00		20,400.00
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 4	11,953.98	0.00		4,769.90
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 5	1,307.21	0.00		1,307.21
	24 **Total operating and administrative expenses.** Add lines 13 through 23	33,661.19	0.00		26,477.11
	25 Contributions, gifts, grants paid	368,211.00			368,211.00
	26 **Total expenses and disbursements.** Add lines 24 and 25	401,872.19	0.00		394,688.11
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	<42,668.38>			
	b **Net investment income** (if negative, enter -0-)		359,203.81		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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

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	69,523.75	53,608.65	53,608.65
	2 Savings and temporary cash investments	277,240.57	277,258.19	277,258.19
	3 Accounts receivable ▶ 175,046.77			
	Less: allowance for doubtful accounts ▶	133,190.85	175,046.77	175,046.77
	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 6	11,291,580.43	11,222,860.70	7,333,156.92
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers)	11,771,535.60	11,728,774.31	7,839,070.53
Liabilities	17 Accounts payable and accrued expenses	1,776.99	1,684.08	
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons	200,000.00	200,000.00	STATEMENT 7
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	201,776.99	201,684.08	
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 ▶ ☒ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.00	0.00	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.00	0.00	
	29 Retained earnings, accumulated income, endowment, or other funds	11,569,758.61	11,527,090.23	
	30 Total net assets or fund balances	11,569,758.61	11,527,090.23	
	31 Total liabilities and net assets/fund balances	11,771,535.60	11,728,774.31	

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	11,569,758.61
2 Enter amount from Part I, line 27a	2	<42,668.38>
3 Other increases not included in line 2 (itemize) ▶	3	0.00
4 Add lines 1, 2, and 3	4	11,527,090.23
5 Decreases not included in line 2 (itemize) ▶	5	0.00
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	11,527,090.23

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	SCHEDULE ATTACHED	P		
b	SCHEDULE ATTACHED	P		
c	CAPITAL GAINS DIVIDENDS			
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	780,887.85		701,381.08	79,506.77
b	11.54		12.29	<0.75>
c	10,162.98			10,162.98
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				79,506.77
b				<0.75>
c				10,162.98
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	89,669.00
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 X 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	366,294.08	7,549,465.67	.048519
2009	304,705.83	6,763,150.11	.045054
2008	463,335.20	8,832,117.39	.052460
2007	571,239.62	11,305,936.19	.050526
2006	507,997.59	10,437,903.54	.048669

2	Total of line 1, column (d)	2	.245228
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	.049046
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	8,190,979.75
5	Multiply line 4 by line 3	5	401,734.79
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	3,592.04
7	Add lines 5 and 6	7	405,326.83
8	Enter qualifying distributions from Part XII, line 4	8	394,688.11

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	7,184.08
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	0.00
3 Add lines 1 and 2			3	7,184.08
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			4	0.00
5 **Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-			5	7,184.08
6 Credits/Payments:				
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	5,500.00		
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	5,500.00
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	1,684.08
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. ▶ $ 0.00 (2) On foundation managers. ▶ $ 0.00			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.00			
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) ▶ MN			
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	10		X

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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 ▶ DEAN E. BUSCH Telephone no. ▶ (651) 298-0218

Located at ▶ 408 ST. PETER STREET #434 ST.PAUL, MN ZIP+4 ▶ 55102-1119

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

			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)?	1b		X
	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 ▶ ________, ________, ________, ________

			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

			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 X 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 X 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 X 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 X 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
EDWARD H. HAMM, JR. 408 ST. PETER ST. #434 SAINT PAUL, MN 55102	PRESIDENT & DIRECTOR 0.00	0.00	0.00	0.00
EDWARD H. HAMM 408 ST. PETER ST. #434 SAINT PAUL, MN 55102	VICE PRES., TREA. & DIRECT 0.00	0.00	0.00	0.00
DEAN E. BUSCH 408 ST. PETER ST. #434 SAINT PAUL, MN 55102	SECRETARY & DIRECTOR 0.00	0.00	0.00	0.00

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 ▶	0.00

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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	7,834,973.04
b	Average of monthly cash balances	1b	480,742.44
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	8,315,715.48
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e: 0.00		
2	Acquisition indebtedness applicable to line 1 assets	2	0.00
3	Subtract line 2 from line 1d	3	8,315,715.48
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	124,735.73
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	8,190,979.75
6	**Minimum investment return.** Enter 5% of line 5	6	409,548.99

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	409,548.99
2a	Tax on investment income for 2011 from Part VI, line 5 — 2a: 7,184.08		
b	Income tax for 2011. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	7,184.08
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	402,364.91
4	Recoveries of amounts treated as qualifying distributions	4	0.00
5	Add lines 3 and 4	5	402,364.91
6	Deduction from distributable amount (see instructions)	6	0.00
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	402,364.91

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	394,688.11
b	Program-related investments - total from Part IX-B	1b	0.00
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	394,688.11
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	0.00
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	394,688.11

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				402,364.91
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			0.00	
b Total for prior years: ____, ____, ____		0.00		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008 2,583.62				
d From 2009				
e From 2010				
f **Total** of lines 3a through e	2,583.62			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ $ 394,688.11				
a Applied to 2010, but not more than line 2a			0.00	
b Applied to undistributed income of prior years (Election required - see instructions)		0.00		
c Treated as distributions out of corpus (Election required - see instructions)	0.00			
d Applied to 2011 distributable amount				394,688.11
e Remaining amount distributed out of corpus	0.00			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)	2,583.62			2,583.62
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.00			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.00		
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		0.00		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.00		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instr.			0.00	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				5,093.18
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.00			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	0.00			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	0.00			
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				

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).)

NONE

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

NONE

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

Check here ▶ ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see 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				
HAMM CLINIC 408 ST. PETER STREET, SUITE 429 ST PAUL, MN 55102	NONE	PUBLIC	GENERAL FUND-COMMUNITY PROJECTS	339,000.00
ST. MARTIN'S CHURCH BY THE LAKE 2801 WESTWOOD ROAD MINNETONKA, MN 55361	NONE	PUBLIC	GENERAL FUND-RELIGIOUS ACTIVITIES	4,000.00
UNITED WAY OF ST. PAUL 404 SOUTH 8TH STREET MINNEAPOLIS, MN 55404	NONE	PUBLIC	GENERAL FUND-COMMUNITY PROJECTS	211.00
YOUTH FORUM 3432 DENMARK AVENUE, PMB 204 EAGAN, MN 55123	NONE	PUBLIC	GENERAL FUND-COMMUNITY PROJECTS	25,000.00
Total			▶ 3a	368,211.00
b Approved for future payment NONE				
Total			▶ 3b	0.00

Part XVI-A **Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	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	41.41	
4 Dividends and interest from securities			14	269,493.40	
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	89,669.00	
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)		0.00		359,203.81	0.00

13 Total. Add line 12, columns (b), (d), and (e) 13 359,203.81

(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 | Date 5-4-12 | Title SECRETARY

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
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

123622
12-02-11

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

SOURCE	AMOUNT
UBS FINANCIAL SERVICES - CERTIFICATE OF DEPOSIT	4.05
UBS FINANCIAL SERVICES - MONEY MARKET ACCOUNT	37.36
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	41.41

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
SCHEDULE AVAILABLE	279,656.38	10,162.98	269,493.40
TOTAL TO FM 990-PF, PART I, LN 4	279,656.38	10,162.98	269,493.40

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 & TAX FEES	20,400.00	0.00		20,400.00
TO FORM 990-PF, PG 1, LN 16B	20,400.00	0.00		20,400.00

FORM 990-PF	TAXES	STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL EXCISE TAXES	7,184.08	0.00		0.00
FOREIGN TAXES ON DIVIDENDS	4,769.90	0.00		4,769.90
TO FORM 990-PF, PG 1, LN 18	11,953.98	0.00		4,769.90

FORM 990-PF	OTHER EXPENSES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FILING FEE	25.00	0.00		25.00
UBS FINANCIAL SERVICES - SERVICE FEES	1,201.73	0.00		1,201.73
UBS FINANCIAL SERVICES FEE	80.48	0.00		80.48
TO FORM 990-PF, PG 1, LN 23	1,307.21	0.00		1,307.21

FORM 990-PF	CORPORATE STOCK	STATEMENT 6
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK-SCHEDULE ATTACHED	11,222,860.70	7,333,156.92
TOTAL TO FORM 990-PF, PART II, LINE 10B	11,222,860.70	7,333,156.92

FORM 990-PF LOANS PAYABLE TO OFFICER'S, DIRECTOR'S, ETC. STATEMENT 7

LENDER'S NAME AND TITLE

EDWARD H. HAMM, VICE PRES, TREA. & DIRECTOR

DATE OF NOTE	MATURITY DATE	INTEREST RATE	TERMS OF REPAYMENT
01/28/02		.00%	ON DEMAND

SECURITY PROVIDED BY BORROWER	PURPOSE OF LOAN
NONE	INCREASE FOUNDATION INCOME

DESCRIPTION OF CONSIDERATION	FMV OF CONSIDERATION	ORIGINAL LOAN AMOUNT	BALANCE DUE
CASH	0.00	200,000.00	200,000.00
TOTAL TO FORM 990-PF, PART II, LINE 20, COLUMN B			200,000.00

HERSEY FOUNDATION
Schedule of Securities
December 31, 2011

Ave. Cost per Share	CORPORATE STOCKS	Shares	Cost	Market Value December 31, 2011
18.59	Alcatel-Lucent Spon ADR	117	2,175.06	182 52
94.33	American International Group Inc	4,316	407,120.73	100,131.20
17.00	American International Group Warrants	168	2,856.00	925 68
42.31	AOL Inc.	589	24,920 82	8,893.90
24.10	Applied Materials Inc.	2,000	48,191.50	21,420 00
14.92	Ariba Inc.	2,033	30,329 27	57,086 64
48 00	BMC Software Inc	1,000	48,004.50	32,780.00
52.75	BP PLC Spon ADR	1,000	52,753.55	42,740 00
26.74	Bank of America Corp.	10,000	267,367.45	55,600.00
14.02	Blackrock Real Asset Equity Trust	3,084	43,251.62	32,906.28
23 41	Bristol Myers Squibb Co.	4,000	93,639.95	140,960.00
14.79	CMS Energy Corp.	2,600	38,447.28	57,408 00
19.22	CenterPoint Energy	3,400	65,359.15	68,306 00
19 46	Chorus Ltd	8,147	158,538 67	97,519.59
69 76	Ciena Corp.	2,457	171,409.51	29,729.70
32.32	Cisco Systems Inc.	13,900	449,193.90	251,312.00
203.89	CitiGroup Inc.	320	65,245.09	8,419 20
54.44	Coca Cola Company	200	10,887.05	13,994.00
25 46	Comcast Corporation	1,551	39,487.37	36,774.21
21.77	Conagra Food Inc.	4,000	87,082 14	105,600.00
29.29	Cornerstone Strategic Value Fund Inc	1,370	40,124.39	9,042.00
46.43	Covidien PLC	2,650	123,033 18	119,276.50
15.34	DWS High Income Trust	21,594	331,346.97	220,906 62
10.07	DWS Multi Market Inc.	1,000	10,074.49	10,100.00
30.43	EMC Corp Mass	18,600	566,028.48	400,644.00
28.23	Enerplus Resources	200	5,645.79	5,064 00
13 28	Equus II Inc	2,634	34,984 00	5,900 16
58 35	Fannie Mae	1,400	81,695 35	281 40
24.12	Fifth Third Bancorp	5,000	120,610.25	63,600 00
33.93	FirstEnergy Corp	667	22,633.25	29,548.10
38 01	First Industrial Realty Trust	2,200	83,618 35	22,506 00
9.19	Frontier Communications	2,000	18,375.59	10,300 00
26.53	General Electric	30,400	806,466.12	544,464.00
26 25	General Growth Properties	1,247	32,738.07	18,729 94
9 37	Helois Total Return Fund	2,400	22,476.75	13,728 00
27.30	Home Depot Inc.	2,850	77,816 81	119,814.00
66.44	Howard Hughes Corp	120	7,972.75	5,300 40
42 44	India Fund Inc	1,000	42,444.55	19,040.00
22 86	Intel Corp	6,800	155,478.00	164,900 00
33 26	Istar Financial Inc.	20,000	665,162 49	105,800.00
9.22	JDS Uniphase Corp.	1,025	9,454.00	10,701.00
47.18	Johnson & Johnson Company	1,176	55,485.32	77,122.08
18 81	LSI Logic Corp.	88	1,655.59	523 60
38 02	Lilly Eli & Co.	8,000	304,139.55	332,480.00
12.50	Malaysia Fund Inc.	2,600	32,508.05	23,452.00
41.07	Medtronic Inc.	4,500	184,799.39	172,125.00
32.71	Merck & Co.	5,176	169,298.31	195,135.20
23.73	Microsoft Corp.	3,800	90,173.62	98,648.00
41 63	Moduslink Global Solutions Inc.	420	17,485.75	2,268.00
14 01	New York Community Bancorp	21,000	294,229 50	259,770.00
45.64	Nextra Energy Inc	4,800	219,091.10	292,224.00
198.60	Nortel Networks Corp.	120	23,832.50	1.92
22 80	NV Energy Inc	1,000	22,803.80	16,350 00

HERSEY FOUNDATION
Schedule of Securities
December 31, 2011

Ave. Cost per Share	CORPORATE STOCKS	Shares	Cost	Market Value December 31, 2011
18.03	Oracle Corp.	1,515	27,310.51	38,859.75
25.09	Pfizer Inc.	15,100	378,890.17	326,764 00
44.20	Pioneer Nat Res Co	1,000	44,195.25	89,480 00
35.95	Plum Creek Timber Co Inc	3,000	107,851.01	109,680.00
61.82	Procter & Gamble	1,000	61,823.65	66,710 00
8.27	Prudential High Yield Fund Class A	4,061.807	33,588.46	21,771.29
38.62	Redwood Trust Inc.	25,400	980,959 89	258,572.00
14.64	Service Corp International	2,000	29,277.15	21,300 00
69 33	Source Capital Inc.	1,000	69,331.25	46,990 00
14.58	Spectra Energy	500	7,289.28	15,375 00
8.63	Stewart Enterprises Inc.	6,000	51,759.00	34,560.00
65.45	Symantec	300	19,635 39	4,695 00
27.35	Sysco Corp	5,400	147,702.20	158,382 00
42.26	TE Connectivity Ltd	2,650	111,996.02	81,646.50
12 41	Telecom Corp. New Zealand	40,737	505,739.00	325,488 63
16.91	Thai Capital Fund Inc.	419	7,086.76	3,599 21
45 97	Thermo Fisher Scientific	3,000	137,916.90	134,910 00
251.63	Thornburg Mtge Inc.	1,200	301,951.77	2 40
69.17	3M Company	3,400	235,173.25	277,882.00
76.97	Time Warner Cable Inc.	1,627	125,237.85	103,428 39
54 68	Time Warner Inc.	6,483	354,521 73	234,295 62
57.06	Tyco International Ltd	2,650	151,204.85	123,781.50
719 41	Walter Inv Mgmt Corp (was Hanover Cap)	20	14,388 25	410 20
26 73	Washington Mutual	3,000	80,177.38	159 00
34.02	Waste Management Inc	2,000	68,043.25	65,420.00
42.40	Wells Fargo & Co.	6,597	279,733 88	181,813.32
16 93	Westcore Blue Chip Fund	6,505 333	110,133.88	74,746 28
			11,222,860.70	7,333,156.92

HERSEY FOUNDATION
Schedule D - Capital Gains and Losses
As of: December 31, 2011

Quantity	Asset	Date Acquired	Date Sold	Proceeds	Tax Basis	Gain/Loss
	Short-Term Capital Gains and Losses					
0.7228	AM INTL GRP WRT 1 20 11/AIGW_SLD#1	Jan 20 11	Jan 20 11	11 54	12 29	-0.75
	Total Short-term			11.54	12 29	-0.75
	Long-Term Capital Gains and Losses					
200	BRISTOL MYERS 1 18 02/BMY	Jan 18 02	Oct 25 11	6,427.22	9,534.01	-3,106.79
400	BRISTOL MYERS 1 2 04/BMY	Jan 2 04	Oct 25 11	12,854.46	11,793.85	1,060.61
200	BRISTOL MYERS 1 28 02/BMY	Jan 28 02	Oct 25 11	6,427.22	9,193.03	-2,765.81
200	BRISTOL MYERS 3 21 02/BMY	Mar 21 02	Oct 25 11	6,427.22	8,204.35	-1,777.13
0.4	CHORUS LTD 2 22 05/CHRYV_SLD#1	Feb 22 05	Nov 30 11	5 08	11.22	-6.14
800	COCA COLA 2 11 10/KO_SLD#1	Feb 11 10	Mar 31 11	52,932.38	43,548.20	9,384 18
200	COCA COLA 7 6 99/KO	Jul 6 99	Mar 31 11	13,233.09	12,817.00	416.09
400	DUKE ENERGY 8 22 03/DUK	Aug 22 03	Oct 25 11	7,970.55	4,053.32	3,917.23
200	DUKE ENERGY 8 25 03/DUK	Aug 25 03	Oct 25 11	3,985.27	2,002.03	1,983.24
200	DUKE ENERGY 8 4 03/DUK	Aug 4 03	Oct 25 11	3,985.27	2,038.06	1,947.21
200	DUKE ENERGY 9 2 03/DUK	Sep 2 03	Oct 25 11	3,985.27	2,018.31	1,966.96
200	EL PASO CORP 1 6 04/EP	Jan 6 04	Apr 28 11	3,811 27	1,686.33	2,124.94
400	EL PASO CORP 1 9 04/EP	Jan 9 04	Apr 28 11	7,622.56	3,316.71	4,305.85
200	EL PASO CORP 12 23 03/EP	Dec 23 03	May 25 11	4,109.07	1,590.55	2,518.52
200	EL PASO CORP 6 4 02/EP	Jun 4 02	Apr 28 11	3,811.27	4,499 42	-688.15
200	EL PASO CORP 6 6 03/EP	Jun 6 03	Apr 28 11	3,811.27	1,911.15	1,900.12
200	HOME DEPOT 1 16 02/HD	Jan 16 02	Dec 1 11	7,807 99	9,970.50	-2,162.51
1,000	HOME DEPOT 1 25 00/HD	Jan 25 00	Dec 1 11	39,039.93	57,254.50	-18,214.57
400	HOME DEPOT 10 12 00/HD	Oct 12 00	Dec 22 11	16,563.43	14,079.50	2,483 93
200	HOME DEPOT 10 13 00/HD	Oct 13 00	Dec 22 11	8,281.72	7,054.50	1,227 22
300	HOME DEPOT 10 13 09/HD_SLD#1	Oct 13 09	Dec 22 11	12,422.57	8,262.19	4,160.38
200	HOME DEPOT 10 25 00/HD	Oct 25 00	Dec 5 11	7,990.12	7,767 00	223 12
100	HOME DEPOT 10 26 06/HD	Oct 26 06	Dec 22 11	4,140.86	3,706.47	434.39
900	HOME DEPOT 10 26 06/HD_SLD#1	Oct 26 06	Dec 5 11	35,955.52	33,358 28	2,597.24
1,000	HOME DEPOT 11 16 09/HD	Nov 16 09	Dec 22 11	41,408.57	28,083.25	13,325.32
1,000	HOME DEPOT 12 13 00/HD	Dec 13 00	Dec 1 11	39,039.93	45,379.50	-6,339.57
400	HOME DEPOT 2 1 07/HD	Feb 1 07	Dec 5 11	15,980.23	16,505.50	-525.27
600	HOME DEPOT 2 1 07/HD_SLD#1	Feb 1 07	Dec 1 11	23,423 94	24,758.25	-1,334.31
200	HOME DEPOT 2 16 01/HD	Feb 16 01	Dec 1 11	7,807.99	8,918.50	-1,110.51
200	HOME DEPOT 2 22 01/HD	Feb 22 01	Dec 1 11	7,807.99	8,334 50	-526 51
200	HOME DEPOT 2 26 01/HD	Feb 26 01	Dec 1 11	7,807.99	8,334.50	-526.51
200	HOME DEPOT 3 1 01/HD	Mar 1 01	Dec 5 11	7,990.12	8,234.50	-244.38
200	HOME DEPOT 3 2 00/HD	Mar 2 00	Dec 1 11	7,807.99	11,279.50	-3,471.51
200	HOME DEPOT 3 9 00/HD	Mar 9 00	Dec 1 11	7,807.99	10,767.00	-2,959.01
200	HOME DEPOT 5 28 02/HD	May 28 02	Dec 1 11	7,807.99	8,439.25	-631 26
300	HOME DEPOT 8 6 99/HD	Aug 6 99	Dec 5 11	11,985.18	11,467.00	518.18
2,000	KINDER MORGAN 2 12 10/KMP	Feb 12 10	Mar 11 11	143,843.97	116,281.35	27,562.62
1,000	NEW YORK COMM 1 26 05/NYB_SLD#1	Jan 26 05	Mar 11 11	17,416.41	18,582 63	-1,166.22
158	ORACLE 3 16 01/ORCL	Mar 16 01	May 2 11	5,674.74	5,271.80	402.94
157	ORACLE 3 5 01/ORCL	Mar 5 01	May 2 11	5,638.82	6,488 81	-849.99
85	ORACLE CORP 11 16 06/ORCL_SLD#1	Nov 16 06	May 2 11	3,052 86	1,643.24	1,409.62
200	ORACLE CORP 3 1 01/ORCL	Mar 1 01	May 2 11	7,183.21	3,942.00	3,241.21
400	ORACLE CORP 5 24 00/ORCL	May 24 00	May 2 11	14,366.42	12,367.00	1,999.42
400	PROGRESS ENER 1 19 00/PGN	Jan 19 00	Mar 10 11	18,434.97	11,711.33	6,723.64
400	PROGRESS ENER 11 19 09/PGN	Nov 19 09	Mar 10 11	18,434.97	15,361.30	3,073.67

HERSEY FOUNDATION
Schedule D - Capital Gains and Losses
As of: December 31, 2011

Quantity	Asset	Date Acquired	Date Sold	Proceeds	Tax Basis	Gain/Loss
600	PROGRESS ENER 11 19 09/PGN_SLD#1	Nov 19 09	Feb 22 11	27,247.42	23,041.95	4,205.47
200	PROGRESS ENER 2 28 00/PGN	Feb 28 00	Mar 10 11	9,217.48	5,829 50	3,387 98
200	ROCK OF AGES 11 16 98/ROAC	Nov 16 98	Jan 21 11	1,050.00	3,204.50	-2,154.50
0.01	ROYAL DUTCH 4 4 01/STLMT	Apr 4 01	May 24 11	108.79	0.00	108.79
200	XCEL ENERGY 5 25 04/XEL	May 25 04	Mar 9 11	4,863.21	3,289.25	1,573.96
200	XCEL ENERGY 5 7 04/XEL	May 7 04	Mar 9 11	4,863.21	3,325 25	1,537.96
200	XCEL ENERGY 6 24 02/XEL	Jun 24 02	May 16 11	4,925.04	2,774.78	2,150.26
200	XCEL ENERGY 6 25 02/XEL	Jun 25 02	May 16 11	4,925.04	2,795.15	2,129.89
200	XCEL ENERGY 6 25 02/XEL_SLD#1	Jun 25 02	Mar 9 11	4,863.22	2,795.16	2,068.06
200	XCEL ENERGY 6 27 02/XEL	Jun 27 02	Mar 9 11	4,863.22	3,002.78	1,860.44
200	XCEL ENERGY 7 1 02/XEL	Jul 1 02	Mar 9 11	4,863.21	3,166 78	1,696.43
200	XCEL ENERGY 7 22 02/XEL	Jul 22 02	May 16 11	4,925.04	2,474.77	2,450.27
200	XCEL ENERGY 7 24 02/XEL	Jul 24 02	May 16 11	4,925.04	2,160.77	2,764.27
200	XCEL ENERGY 7 26 02/XEL	Jul 26 02	May 16 11	4,925.04	1,699.25	3,225.79
	Total Long-term			780,887.85	701,381.08	79,506.77
	TOTAL CAPITAL GAINS			780,899.39	701,393.37	79,506.02