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

Department of the Treasury
Internal Revenue Service

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

2011

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

Name of foundation DAVID D. CONE FOUNDATION		A Employer identification number 36-6076061
Number and street (or P.O. box number if mail is not delivered to street address) 3050 N. SAN MATEO PL.	Room/suite	B Telephone number (see instructions) 520-885-0505
City or town, state, and ZIP code TUCSON, ARIZONA 85715-3020		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input checked="" type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 380,886	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ <i>(Part I, column (d) must be on cash basis.)</i>	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ <input type="checkbox"/>

Part I	Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	7	7		
	4 Dividends and interest from securities	25,187	25,187		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	40,197			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		40,197		
	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) (attach schedule)					
11 Other income (attach schedule)	4,331	4,331			
12 Total. Add lines 1 through 11	69,722	69,722			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	1,500			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	552	552		552
	24 Total operating and administrative expenses. Add lines 13 through 23	2052	552		
	25 Contributions, gifts, grants paid	34,700			34,700
26 Total expenses and disbursements. Add lines 24 and 25	36,752	552		35,252	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	32,970				
b Net investment income (if negative, enter -0-)		69,170			
c Adjusted net income (if negative, enter -0-)					

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash—non-interest-bearing	16,643	719	719
	2	Savings and temporary cash investments		18,891	18,891
	3	Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U.S. and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	254,004	288,406	287,707
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	93,496	88,998	73,569
	14	Land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
15	Other assets (describe ▶)				
16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	364,143	397,014	380,886	
Liabilities	17	Accounts payable and accrued expenses	100	0	
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	Total liabilities (add lines 17 through 22)	100	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> 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 ▶ <input type="checkbox"/> and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
30	Total net assets or fund balances (see instructions)	364,043	397,014		
31	Total liabilities and net assets/fund balances (see instructions)	364,043	397,014		

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)	364,043
2	Enter amount from Part I, line 27a	32,970
3	Other increases not included in line 2 (itemize) ▶ Total rounding error	1
4	Add lines 1, 2, and 3	397,014
5	Decreases not included in line 2 (itemize) ▶	0
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	397,014

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	PLEASE SEE ATTACHMENT			
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0- or Losses (from col. (h))	
(j) F.M.V. as of 12/31/69	(k) Adjusted basis as of 12/31/69	(l) Excess of col. (j) over col. (k), if any		
a				
b				
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	40,197
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8		3	(2345)

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	32,401	378,049	.0857
2009	56,233	355,100	.1584
2008	75,133	648,701	.1158
2007	82,503	903,148	.0914
2006	72,407	876,599	.0826

2	Total of line 1, column (d)	2	.5339
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	.1067
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	391,034
5	Multiply line 4 by line 3	5	41,723
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	692
7	Add lines 5 and 6	7	42,415
8	Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	32,2525

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1		1,383
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2		0
3	Add lines 1 and 2	3		1,383
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4		0
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5		1,383
6	Credits/Payments:			
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	1,615	
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		1,615
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		-
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		0
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		232
11	Enter the amount of line 10 to be: Credited to 2012 estimated tax 232.00 Refunded	11		0

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		✓
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <i>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.</i>		✓
c Did the foundation file Form 1120-POL for this year?		✓
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ _____ (2) On foundation managers. ▶ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		✓
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? <i>If "Yes," attach a conformed copy of the changes.</i>		✓
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		✓
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		✓
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?	✓	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	✓	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ Illinois, Arizona		
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 <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	✓	
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)? <i>If "Yes," complete Part XIV</i>		✓
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		✓

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		✓
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		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A	13	✓	
14	The books are in care of ▶ DAVID CONE Telephone no. ▶ 520-885-0505 Located at ▶ 3050 N. SAN MATEO PL.; TUCSON, AZ ZIP+4 ▶ 85715-3020			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here. ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ▶ 15			
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶	16		Yes No ✓

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c	✓
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 20 , 20 , 20 , 20		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions.)	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ 20 , 20 , 20 , 20		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.)	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	✓
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	✓

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

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

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? **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 (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
DAVID D. CONE 3050 N. SAN MATEO PL.; TUCSON, AZ 85715-3020	PRES. & DIR.	0	0	0
SUSAN A. CONE SAME	SECY. & DIR.	0	0	0
ROBERT C. CURTIS SAME	V.P. & DIR.	0	0	0
DAVID C. CURTIS SAME	DIR.	0	0	0

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

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

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

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services ▶

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 THE FOUNDATION'S SOLE ACTIVITY DURING 2011 CONSISTED OF ITS DIRECT CONTRIBUTIONS TO 9 QUALIFIED 501.C.3 ORGANIZATIONS	522
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

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

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	379,306
b	Average of monthly cash balances	1b	17,683
c	Fair market value of all other assets (see instructions)	1c	-
d	Total (add lines 1a, b, and c)	1d	396,989
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	-
3	Subtract line 2 from line 1d	3	396,989
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	5,955
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	391,034
6	Minimum investment return. Enter 5% of line 5	6	19,552

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	19,552
2a	Tax on investment income for 2011 from Part VI, line 5	2a	1,383
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	-
c	Add lines 2a and 2b	2c	1,383
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	18,169
4	Recoveries of amounts treated as qualifying distributions	4	-
5	Add lines 3 and 4	5	18,169
6	Deduction from distributable amount (see instructions)	6	-
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	18,169

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	35,252
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0
b	Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	32,252
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	692
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	31,560

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				18,169
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only				
b Total for prior years: 20__ ,20__ ,20__				
3 Excess distributions carryover, if any, to 2011:				
a From 2006	30,233			
b From 2007	39,800			
c From 2008	43,418			
d From 2009	38,914			
e From 2010	15,520			
f Total of lines 3a through e	167,885			
4 Qualifying distributions for 2011 from Part XII, line 4: ► \$ <u>32,252</u>				
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				18,169
e Remaining amount distributed out of corpus	14,083			
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	181,968			
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 instructions			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) (see instructions)	0			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	30,233			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	151,735			
10 Analysis of line 9:				
a Excess from 2007	39,800			
b Excess from 2008	43,418			
c Excess from 2009	38,914			
d Excess from 2010	15,520			
e Excess from 2011	14,083			

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

- 1a** 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			(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
2a 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:
- NONE

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

- c** Any submission deadlines:
- N/A

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

Part XV Supplementary Information (continued)

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<p>a <i>Paid during the year</i></p> <p>PLEASE SEE ATTACHED LIST</p>	<p>N/A</p>		<p>TO FURTHER THE GENERAL PURPOSES OF THE 501.C.3 RECIPIENT ORGANIZATIONS</p>	<p>\$ 34,700</p>
<p>Total</p>			<p style="text-align: right;">▶ 3a</p>	<p>34,700</p>
<p>b <i>Approved for future payment</i></p>				
<p>Total</p>			<p style="text-align: right;">▶ 3b</p>	

DAVID D. CONE FOUNDATION
E.I.D. 36-6076061
2011 RETURN OF PRIVATE FOUNDATION - FORM 990-PF
SCHEDULE OF INFORMATION

PART 1, Line 11: OTHER INCOME

ENERGY TRANSFER EQUITY, Partnership distribution	\$ 216
ENERGY TRANSFER PARTNERS, “	1788
GENESIS ENERGY LP, “	1250
REGENCY ENERGY PARTNERS, “	<u>1077</u>
	\$ 4331

PART I, Line 18: TAXES

Internal Revenue Service	
2011 EFTPS Tax Deposit toward 2011 Excise Tax	\$ 1500

PART I, Line 23: OTHER EXPENSES

Illinois Charity Bureau Fund	
Annual report filing fee plus late penalty	\$ 115
Foreign taxes paid	399
Checks purchased	<u>38</u>
	\$ 552

PART III, Line 3: INCREASES

Total rounding error	\$ 1.00
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DAVID D. CONE FOUNDATION
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 SCHEDULE OF INVESTMENT SECURITIES

PART II, LINE 10b

<u>ASSET</u>	<u>SHARES</u> <u>BEGINNING/</u> <u>END OF YEAR</u>	<u>BOOK VALUE (cost)</u> <u>BEGINNING</u> <u>OF YEAR</u>	<u>BOOK VALUE (cost)</u> <u>END</u> <u>OF YEAR</u>	<u>MARKET VALUE</u> <u>END</u> <u>OF YEAR</u>
COMMON STOCK & ETFs				
ARES CAPITAL CORP ('09)	2000 / 2000	26,160.89	26,160.89	30,900.00
BLACKROCK KELSO CAPITAL ('10)	1900 / 0	17,998.66	0	0
CENTURY LINK ('11)	0 / 900	0	37,112.54	33,480.00
ENERGY TRANSFER EQUITY LP ('09)	400 / 0	9,332.07	0	0
ENERGY TRANSFER PARTNERS ('11)	600 / 700	23,731.68	33,722.35	32,095.00
GENESIS ENERGY LP ('10)	1250 / 600	26,114.20	12,534.81	16,824.00
POWERSHR PRFD. PORT. ('09)	3000 / 1525	37,152.59	31,585.54	34,567.25
POWERSHR HY CORP BD ETF ('09)	1800 / 0	31,026.25	0	0
REGENCY ENERGY PARTNERS ('10/'11)	600 / 1400	13,861.55	31,938.86	34,804.00
SENIOR HOUSING PROP. TR. REIT ('11)	0 / 800	0	19,220.69	17,952.00
SPDR BRCL CP HY BND ETF ('10)	850 / 850	33,758.97	33,758.97	32,682.50
TELEFONICA S A SPON ADR TEF ('11)	0 / 1000	0	26,006.42	17,190.00
WINDSTREAM CORP. ('10)	1500 / 1400	15,474.36	16,972.51	16,436.00
TOTAL COMMON STOCK & ETFs		\$ 234,611.22	\$ 269,013.58	\$ 266,930.75
PREFERRED STOCK				
M&T CAP TR IV 8.50 ('08)	800 / 800	19,392.86	19,392.86	20,776.00
TOTAL PREFERRED STOCK		\$ 19,392.86	\$ 19,392.86	\$ 20,776.00
TOTAL CORPORATE STOCK & ETFs		\$ 254,004.08	\$ 288,406.44	\$ 287,706.75

PART II, LINE 13

OTHER INVESTMENTS (MUTUAL FUNDS)				
CALAMOS GLOBAL DYNAMIC ('10)	3500 / 0	27,153.20	0	0
COHEN & STREERS DIVD. MAJORS ('10)	2500 / 0	30,529.69	0	0
CLOUGH GLOBAL OPPORTUNITIES FD. ('11)	0 / 1500	0	16,423.89	15,855.00
EATON VANCE TAX ADV. GLB. DIV. INC. ('11)	0 / 2400	0	36,760.70	29,328.00
MADISON / CLAYMORE COVERED CALL ('10)	3800 / 3800	35,813.17	35,813.17	28,386.00
TOTAL MUTUAL FUNDS		\$ 93,496.06	\$ 88,997.76	\$ 73,569.00
TOTAL INVESTMENTS	/	\$ 347,500.14	\$ 347,500.14	\$ 361,275.75

DAVID D. CONE FOUNDATION
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2011 RETURN OF PRIVATE FOUNDATION - FORM 990-PF

PART IV - Capital Gains and Losses for Tax on Investment Income

1. (a) <u>Property</u>	(b) How <u>Acquired</u>	(c) Date <u>Acquired</u>	(d) Date <u>Sold</u>	(e) Sales <u>Price</u>	(f) <u>Deprec.</u>	(g) <u>Cost</u>	(h) Gain / <u>(Loss)</u> SHORT LONG
Common Stock							
500 shs. FIRST ENERGY CORP	P	03/04/11	11/11/11	35,630.77		29,529.33	6101.44
1000 shs. BLACKROCK KELSO CAPITAL	P	03/10/10	03/09/11	10,512.43		10,131.63	380.80
900 shs. BLACKROCK KELSO CAPITAL	P	01/06/10	03/09/11	9,461.17		7,867.03	1,594.14
1500 shs. WINDSTREAM CORP.	P	02/24/10	05/10/11	19,571.94		15,474.36	4,097.58
Preferred Stock							
475 shs. POWERSHARES ET PFD. PORT.	P	05/12/09	01/05/11	6,504.46		5,567.05	937.41
Funds & Other:							
400 shs. ENERGY TRANSFER EQTY. LP	P	04/13/09	03/04/11	15,764.18		9,332.07	6,432.11
600 shs. ENERGY TRANSFER PARTNERS	P	VARIOUS	03/04/11	32,772.76		23,731.68	9,041.08
3500 shs. CALAMOS GLOBAL DYNAMIC INC. FD.	P	09/09/10	04/20/11	30,536.94		27,153.20	3,383.74
2500 shs. COHEN & STEERS DIV. MAJORS FD.	P	10/12/10	04/20/11	33,480.57		30,529.69	2,950.88
650 shs GENESIS ENERGY LP	P	07/20/10	02/28/11	18,905.38		13,579.39	5,325.99

2100 shs									
NUVEEN MULTI-STRAT. INC & GR.	P	03/09/11	12/08/11	16,916.40	19,261.62	(2,345.22)			
1800 shs.									
POWERSHARES HIGH YIELD CORP. BOND PORTFOLIO	P	VARIOUS	05/18/11	33,323.28	31,026.25	2,297.03			

2. NET CAPITAL GAIN or (LOSS)

\$ 40,196.58

3. SHORT TERM GAIN:

\$ 15,797.63

DAVID D. CONE FOUNDATION
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2011 RETURN OF PRIVATE FOUNDATION - FORM 990-PF

CONTRIBUTIONS
501.C.3 RECIPIENTS

PART XV, 3A

ARIZONA-SONORA DESERT MUSEUM	2021 N. Kinney Rd., Tucson, AZ 85775	100.00
JOHN AUSTIN CHELEY FOUNDATION	10565 Centennial Dr., Alpharetta, GA 30022-7078	100.00
FRANCIS W. PARKER SCHOOL	330 W. Webster Ave., Chicago, IL 60614	100.00
INVISIBLE THEATRE	1400 N. 1 st Ave., Tucson, AZ 85719	500.00
POMONA COLLEGE	333 N. College Way, Claremont, CA 91711	100.00
ST. MICHAEL'S PARISH	602 N., Wilmot Rd., Tucson, AZ 85711	100.00
UNITARIAN UNIVERSALIST CHURCH	4831 E. 22 nd St., Tucson, AZ 85711	100.00
UNIVERSITY OF ARIZONA FOUNDATION;	1111 N. Cherry Ave., Tucson, AZ 85721	33,500.00
UNIVERSITY OF CHICAGO - Fund For SSA	969 E. Sixtieth St., Chicago, IL 60637	<u>100.00</u>
		\$ 34,700.00