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

OMB No 1545-0052

2011

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

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

Name of foundation DAKOTA FOUNDATION DTD 122797		A Employer identification number 36-7213554						
Number and street (or P.O. box number if mail is not delivered to street address) C/O JANET L HOLADAY - BOX 1535		B Telephone number (see instructions) (701) 252-3420						
City or town, state, and ZIP code JAMESTOWN, ND 58402-1535		C If exemption application is pending, check here ☐						
G Check all that apply: <table border="0"> <tr> <td>☐ Initial return</td> <td>☐ Initial return of a former public charity</td> </tr> <tr> <td>☐ Final return</td> <td>☐ Amended return</td> </tr> <tr> <td>☐ Address change</td> <td>☐ Name change</td> </tr> </table>		☐ 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 ☐
☐ Initial return	☐ Initial return of a former public charity							
☐ Final return	☐ Amended return							
☐ Address change	☐ Name change							
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		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) \$ 5,168,525	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____	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) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received (attach schedule)	100			
2	Check ☒ if the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	114,128	114,128		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	20,556			
b	Gross sales price for all assets on line 6a	20,556			
7	Capital gain net income (from Part IV, line 2)		20,556		
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) STM106	22,502	10,012		
12	Total. Add lines 1 through 11	157,286	144,696		
13	Compensation of officers, directors, trustees, etc.	4,050	750		3,300
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 STM110	800			
18	Taxes (attach schedule) (see instructions)				
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings	13,372			13,372
22	Printing and publications				
23	Other expenses (attach schedule) STM103	5,023	4,533		490
24	Total operating and administrative expenses. Add lines 13 through 23	23,245	5,283		17,162
25	Contributions, gifts, grants paid	1,375			1,375
26	Total expenses and disbursements. Add lines 24 and 25	24,620	5,283		18,537
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	132,666			
b	Net investment income (if negative, enter -0-)		139,413		
c	Adjusted net income (if negative, enter -0-)				

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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		6,777	8,798	8,798
	2	Savings and temporary cash investments		53,509	132,490	132,490
	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		2,102	1,484	1,484
	10a	Investments - U S and state government obligations (attach schedule)				
	b	Investments - corporate stock (attach schedule)	STM137	4,083,536	4,083,536	4,465,240
	c	Investments - corporate bonds (attach schedule)				
	Liabilities	11	Investments - land, buildings, and equipment basis			
		Less accumulated depreciation (attach schedule)				
12		Investments - mortgage loans				
13		Investments - other (attach schedule)	STM118	214,931	266,513	266,513
14		Land, buildings, and equipment basis				
		Less accumulated depreciation (attach schedule)				
15		Other assets (describe) STM120		293,921	293,999	293,999
16		Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)		4,654,777	4,786,820	5,168,525
17		Accounts payable and accrued expenses		2,107	1,484	
18		Grants payable				
Net Assets or Fund Balances	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)		2,107	1,484	
		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					
28	Paid-in or capital surplus, or land, bldg, and equipment fund					
29	Retained earnings, accumulated income, endowment, or other funds		4,652,670	4,785,336		
30	Total net assets or fund balances (see instructions)		4,652,670	4,785,336		
31	Total liabilities and net assets/fund balances (see instructions)		4,654,777	4,786,820		

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	4,652,670
2	Enter amount from Part I, line 27a.	2	132,666
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	4,785,336
5	Decreases not included in line 2 (itemize)	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	4,785,336

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 (yr. mo., day)	(d) Date sold (yr., mo., day)
1a	LTCG FROM PTR K-1 - COMMONS CAPITAL	P	2011-12-31	2011-12-31
b	LTCGD VANGUARD TOT BOND MKT IND FUN	P	2011-12-22	2011-12-22
c	STCG FROM PTR K-1 - COMMONS CAPITAL	P	2011-12-31	2011-12-31
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 15,668			15,668
b 1,853			1,853
c 3,035			3,035
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))
(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	
a			15,668
b			1,853
c			3,035
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	20,556
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 }	3	

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

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

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

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

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	905,086	5,322,487	0.170049
2009	346,441	4,792,054	0.072295
2008	453,989	7,030,757	0.064572
2007	337,516	8,484,183	0.039782
2006	315,187	7,250,229	0.043473

2 Total of line 1, column (d).	2	0.390171
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.078034
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	5,000,468
5 Multiply line 4 by line 3	5	390,207
6 Enter 1% of net investment income (1% of Part I, line 27b).	6	1,394
7 Add lines 5 and 6.	7	391,601
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	18,537

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	2,788
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	2,788
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	2,788
6 Credits/Payments			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	3,084	
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	3,084	
8 Enter any penalty for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	296	
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax ☐ 296 Refunded ☐	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ☐ \$ _____ (2) On foundation managers ☐ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ☐ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes" complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ IL ☐ ND		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address ▶ <u>WWW.DAKOTAFUNDATION.ORG</u>				
14	The books are in care of ▶ <u>JANET L. HOLADAY</u> Telephone no ▶ <u>701-252-3420</u>			
	Located at ▶ <u>443 3RD ST SW JAMESTOWN, ND</u> ZIP+4 ▶ <u>58401-4019</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041-Check here ▶ ☐			
	and enter the amount of tax-exempt interest received or accrued during the year ▶ <u>15</u>			
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ▶			X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☒ No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? ☐	1b	X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011? ☐	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? ☐ 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) ☐	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) ☐	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)? (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)? ☐ Yes ☒ No

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? ☐ Yes ☒ No

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account other allowances
JANET L HOLADAY 443 3RD ST SW, ND 58401-4019	SECRETARY-TREAS 1	4,050	0	0
A BART HOLADAY 439 3RD ST SW, ND 58401-4019	CHAIRMAN 2	0	0	0
SCHEDULE ATTACHED ,	0	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 NONE	
2	0
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 NONE	
2	0
All other program-related investments. See instructions	
3	
Total. Add lines 1 through 3	▶

EEA

Form 990-PF (2011)

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	5,071,883
b	Average of monthly cash balances	1b	4,734
c	Fair market value of all other assets (see instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	5,076,617
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	0
3	Subtract line 2 from line 1d	3	5,076,617
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	76,149
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,000,468
6	Minimum investment return. Enter 5% of line 5	6	250,023

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	250,023
2a	Tax on investment income for 2011 from Part VI, line 5	2a	2,788
b	Income tax for 2011 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	2,788
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	247,235
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	247,235
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	247,235

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	18,537
b	Program-related investments - total from Part IX-B	1b	
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	18,537
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	
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	18,537

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				247,235
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only				
b Total for prior years				
3 Excess distributions carryover, if any, to 2011				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010	392,110			
f Total of lines 3a through e	392,110			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 18,537				
a Applied to 2010, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2011 distributable amount				18,537
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	228,698			228,698
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5.	163,412			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount - see instructions				
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				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)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	163,412			
10 Analysis of line 9				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010	163,412			
e Excess from 2011				

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)					
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed				
	Tax year	Prior 3 years			(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
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))

A. BART HOLADAY ,

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 USAFA ENDOWMENT FUND 3116 ACADEMY DRIVE U S A F ACADEMY CO 80840	N/A	501C3	EDUCATIONAL BLDG.	1,375
Total			▶ 3a	1,375
b Approved for future payment				
Total			▶ 3b	

Form 990-PF (2011)

(A) REVENUES AND EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(D) DISBURSEMENTS FOR CHARITABLE PURPOSES
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PART I - LINE 11 - OTHER INCOME

INTEREST INCOME FROM PRIS	\$9,780	\$9,780	
INTEREST INCOME FROM PRI - K-1	30	30	
INTEREST INCOME FROM PARTNERSHIP - K-1	19	19	
ORDINARY INCOME FROM PRI - K-1	183	183	
BOOK VS TAX INCOME DIFFERENCES - PRI K-1	525	0	
BOOK VS TAX INCOME DIFFERENCES - PARTNERSHIP K-1	11,965	0	
TOTAL OTHER INCOME	<u>\$22,502</u>	<u>\$10,012</u>	

PART I - LINE 18 - TAXES

EXCISE TAX PAID	<u>\$800</u>	<u>\$0</u>	<u>\$0</u>
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PART I - LINE 23 - OTHER EXPENSES

INVESTMENT EXPENSES FROM PRI - K-1	\$660	\$660	
INVESTMENT EXPENSES FROM PARTNERSHIP K-1	3,873	3,873	
ANNUAL REGISTRATION FEE	15		\$15
PUBLICITY - WEBSITE	438		438
DUES	37		37
TOTAL OTHER EXPENSES	<u>\$5,023</u>	<u>\$4,533</u>	<u>\$490</u>

PART II - LINE 10B - INVESTMENTS - CORPORATE STOCK

	NUMBER OF SHARES	BOOK VALUE (COST)	FAIR MARKET VALUE
VANGUARD TOTAL INTERNATIONAL STOCK FUND	110,375 276	\$1,000,000	\$1,441,501
VANGUARD TOTAL BOND MARKET INDEX FUND	59,769 705	595,904	657,467
UBS AG (USD) ORD NEW	4,200 000	0	49,686
VANGUARD 500 INDEX SIGNAL FUND	24,219 410	2,487,632	2,316,586
TOTAL CORPORATE STOCK		<u>\$4,083,536</u>	<u>\$4,465,240</u>

PART II - LINE 13 - OTHER INVESTMENTS

COMMONS CAPITAL, LIMITED PARTNERSHIP	<u>\$266,513</u>	<u>\$266,513</u>
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PART II - LINE 15 - OTHER ASSETS

	BEGINNING OF YEAR	END OF YEAR BOOK VALUE	END OF YEAR FAIR MKT VALUE
PROGRAM RELATED INVESTMENTS	<u>\$293,921</u>	<u>\$293,999</u>	<u>\$293,999</u>

DAKOTA FOUNDATION DTD 122797
EMPLOYER IDENTIFICATION NUMBER 36-7213554
INFORMATION FOR FORM 990-PF - PART VIII - LINE 1

Schedule of Officers and Advisory Committee

<u>Name and Address</u>	<u>Title and Hours Per Week</u>	<u>Compensation Benefits and Expenses</u>
A. Bart Holaday 439 3rd St. SW Jamestown, ND 58401	Chairman 2.50	Compensation - 0 Benefit Plan - 0 Expense Account - 0
Janet L. Holaday 443 3rd St. SW Jamestown, ND 58401	Treasurer 1.05	Compensation -\$4,050 Benefit Plan - 0 Expense Account - 0
Patrick B. Holaday 12147 Vendome Place Dallas, TX 75230	Advisory Committee 0	Compensation - 0 Benefit Plan - 0 Expense Account - 0
Brett C. Holaday 2217 Ivan St. Dallas, TX 75201	Advisory Committee 0	Compensation - 0 Benefit Plan - 0 Expense Account - 0
Alberta B. Holaday 441 3rd St. SW Jamestown, ND 58401	Advisory Committee 0	Compensation - 0 Benefit Plan - 0 Expense Account - 0
Paul S. Villella 9464 Elmhurst Lane, Unit A Littleton, CO 80129	Advisory Committee 0	Compensation - 0 Benefit Plan - 0 Expense Account - 0
Jerome Villella 5108 Sea Pines Dallas, TX 75287	Advisory Committee 0	Compensation - 0 Benefit Plan - 0 Expense Account - 0
Peter B. Villella 7108 W Friendly Ave, #309 Greensboro, NC 27410	Advisory Committee 0	Compensation - 0 Benefit Plan - 0 Expense Account - 0