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: THE JOSEPH DURDA FOUNDATION

A Employer identification number: 41-1672558

Number and street (or P O box number if mail is not delivered to street address): 4100 PEAVEY ROAD

Room/suite:

B Telephone number: 952-934-2987

City or town, state, and ZIP code: CHASKA, MN 55318

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: ☒ 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)* ▶$ 789,846.

J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) *(Part I, column (d) must be on cash basis.)*

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

		Part I **Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc., received	149,600.		N/A	
	2	Check ▶☐ if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments	6,776.	6,776.		STATEMENT 1
	4	Dividends and interest from securities	10,280.	10,280.		STATEMENT 2
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	-345.			
	b	Gross sales price for all assets on line 6a 290,259.				
	7	Capital gain net income (from Part IV, line 2)		0.		
	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	-4,595.	0.		STATEMENT 3
	12	**Total.** Add lines 1 through 11	161,716.	17,056.		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	2,000.	1,000.		0.
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees				
	b	Accounting fees				
	c	Other professional fees				
	17	Interest				
	18	Taxes STMT 4	40.	0.		40.
	19	Depreciation and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses STMT 5	628.	0.		628.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	2,668.	1,000.		668.
	25	Contributions, gifts, grants paid	15,000.			15,000.
	26	**Total expenses and disbursements** Add lines 24 and 25	17,668.	1,000.		15,668.
	27	Subtract line 26 from line 12:				
	a	Excess of revenue over expenses and disbursements	144,048.			
	b	**Net investment income** (if negative, enter -0-)		16,056.		
	c	**Adjusted net income** (if negative, enter -0-)			N/A	

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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	24,789.	4,116.	4,116.
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons			
	7	Other notes and loans receivable ▶ Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments - U.S. and state government obligations			
	b	Investments - corporate stock STMT 6	45,529.	396,417.	396,417.
	c	Investments - corporate bonds STMT 7	521,171.	389,313.	389,313.
	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)	591,489.	789,846.	789,846.
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☒ and complete lines 24 through 26 and lines 30 and 31**			
	24	Unrestricted	591,489.	789,846.	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances**	591,489.	789,846.	
	31	**Total liabilities and net assets/fund balances**	591,489.	789,846.	

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	591,489.
2	Enter amount from Part I, line 27a	2	144,048.
3	Other increases not included in line 2 (itemize) ▶ UNREALIZED GAINS AND LOSSES	3	58,778.
4	Add lines 1, 2, and 3	4	794,315.
5	Decreases not included in line 2 (itemize) ▶ PRIOR PERIOD ADJUSTMENT	5	4,469.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	789,846.

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	US TREASURY BILL DUE 01/20/11	P	12/17/10	01/13/11
b	US TREASURY BILL DUE 02/10/11	P	12/17/10	01/28/11
c	MONEY MARKET OBLIGATIONS	P	VARIOUS	01/11/11
d	WELLS FARGO NOTE	P	03/31/09	12/09/11
e	CAPITAL GAINS DIVIDENDS			

	(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	224,992.		225,000.	-8.
b	44,993.		44,998.	-5.
c	10,093.		10,093.	0.
d	10,000.		10,513.	-513.
e	181.			181.

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				-8.
b				-5.
c				0.
d				-513.
e				181.

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 -345.

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

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	37,160.	172,297.	.215674
2009	14,403.	118,852.	.121184
2008	11,563.	98,778.	.117060
2007	7,473.	2,517.	2.969011
2006	7,862.	867.	9.068051

2	**Total** of line 1, column (d)	2	12.490980
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	2.498196
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	717,285.
5	Multiply line 4 by line 3	5	1,791,919.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	161.
7	Add lines 5 and 6	7	1,792,080.
8	Enter qualifying distributions from Part XII, line 4	8	15,668.

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	321.
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	321.
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	321.
6	Credits/Payments:				
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a			
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	0.
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	321.
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	
11	Enter the amount of line 10 to be: **Credited to 2012 estimated tax** ▶		**Refunded** ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ 0. **(2)** On foundation managers. ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: ● By language in the governing instrument, or ● By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV.*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ 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 STMT 8	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 ▶ MILES J. COHEN Telephone no. ▶952-934-2987

Located at ▶10040 INDIGO DRIVE, EDEN PRAIRIE, MN ZIP+4 ▶55347

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

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

			Yes	No
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶			

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

	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			Yes	No
1a	During the year did the foundation (either directly or indirectly):				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here	▶☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?		1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):				
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011?	☐ Yes ☒ No			
	If "Yes," list the years ▶ ______, ______, ______, ______				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.)	N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ______, ______, ______, ______				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2011 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969; **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.)*	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?		4b		X

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

5a During the year did the foundation pay or incur any amount to:				
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes ☒ No			
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	☐ Yes ☒ No			
(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes ☒ No			
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?	☐ Yes ☒ No			
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes ☒ No			
b If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?	N/A	**5b**		
Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A	☐ Yes ☐ No			
If "Yes," attach the statement required by Regulations section 53.4945-5(d)				
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes ☒ No			
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? *If "Yes" to 6b, file Form 8870.*		**6b**		X
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes ☒ No			
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	N/A	**7b**		

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 9		2,000.	0.	0.

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

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

Total number of other employees paid over $50,000 ▶ 0

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

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

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

Total number of others receiving over $50,000 for professional services ▶ 0

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments

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

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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	714,402.
b Average of monthly cash balances		1b	13,806.
c Fair market value of all other assets		1c	
d **Total** (add lines 1a, b, and c)		1d	728,208.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0.		
2 Acquisition indebtedness applicable to line 1 assets		2	0.
3 Subtract line 2 from line 1d		3	728,208.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	10,923.
5 **Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	717,285.
6 **Minimum investment return.** Enter 5% of line 5		6	35,864.

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	35,864.
2a Tax on investment income for 2011 from Part VI, line 5	2a 321.		
b Income tax for 2011. (This does not include the tax from Part VI.)	2b		
c Add lines 2a and 2b		2c	321.
3 Distributable amount before adjustments. Subtract line 2c from line 1		3	35,543.
4 Recoveries of amounts treated as qualifying distributions		4	0.
5 Add lines 3 and 4		5	35,543.
6 Deduction from distributable amount (see instructions)		6	0.
7 **Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1		7	35,543.

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	15,668.
b Program-related investments - total from Part IX-B	1b	0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 **Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	15,668.
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.
6 **Adjusted qualifying distributions.** Subtract line 5 from line 4	6	15,668.

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					35,543.
2 Undistributed income, if any, as of the end of 2011					
a Enter amount for 2010 only				0.	
b Total for prior years: ______ , ______ , ______			0.		
3 Excess distributions carryover, if any, to 2011:					
a From 2006	7,862.				
b From 2007	7,473.				
c From 2008	6,624.				
d From 2009	5,939.				
e From 2010	26,035.				
f **Total** of lines 3a through e		53,933.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ $	15,668.				
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					15,668.
e Remaining amount distributed out of corpus		0.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)		19,875.			19,875.
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		34,058.			
b Prior years' undistributed income. Subtract line 4b from line 2b			0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed			0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions			0.		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instr.				0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012					0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)		0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7		0.			
9 **Excess distributions carryover to 2012** Subtract lines 7 and 8 from line 6a		34,058.			
10 Analysis of line 9:					
a Excess from 2007					
b Excess from 2008	2,084.				
c Excess from 2009	5,939.				
d Excess from 2010	26,035.				
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).)

SEE STATEMENT 10

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:

SEE STATEMENT 11

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*				
THE JOSEPH DURDA FAMILY SCHOLARSHIP FUND 516 15TH AVE SE MINNEAPOLIS, MN 55455		501(C)(3)	SUPPORT FOR COLLEGE SCHOLARSHIP	5,000.
MINNESOTA ASSISTANCE COUNCIL FOR VETERANS 360 ROBERT STREET N, SUITE 306 SAINT PAUL, MN 55101		501(C)(3)	SUPPORT VETERANS AND THEIR FAMILIES	3,000.
THE SALVATION ARMY 2445 PRIOR AVE N ROSEVILLE, MN 55113		501(C)(3)	SUPPORT FOR FOOD, SHELTER, AND COUNSELING FOR THE TWIN CITIES' HOMELESS AND INDIGENT.	3,000.
UNION GOSPEL MISSION PO BOX 64389 SAINT PAUL, MN 55164		501(C)(3)	SUPPORT FOR FOOD, SHELTER, AND COUNSELING FOR THE TWIN CITIES' HOMELESS AND INDIGENT.	2,000.
DAKOTA COMMUNITIES, INC. 680 O'NEILL DRIVE EAGAN, MN 55121		501(C)(3)	ENDOWMENT GIFT IN SUPPORT OF ASSISTANCE TO GROUP HOME FOR MENTALLY CHALLENGED AND PHYSICALLY	2,000.
Total			▶ 3a	15,000.
b *Approved for future payment* NONE				
Total			▶ 3b	0.

Form **990-PF** (2011)

123611 12-02-11 ** SEE PURPOSE OF GRANT CONTINUATIONS

Part XV **Supplementary Information**

3a Grants and Contributions Paid During the Year Continuation of Purpose of Grant or Contribution

NAME OF RECIPIENT - DAKOTA COMMUNITIES, INC.

ENDOWMENT GIFT IN SUPPORT OF ASSISTANCE TO GROUP HOME FOR MENTALLY CHALLENGED AND PHYSICALLY DISABLED INDIVIDUALS.

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) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
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	6,776.	
4 Dividends and interest from securities			14	10,280.	
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	-345.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a KINDER MORGAN ENERGY					
b PARTNERS	211110	-4,595.			
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		-4,595.		16,711.	0.

13 Total Add line 12, columns (b), (d), and (e) 13 12,116.

(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).

123621 12-02-11

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

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

▶ Miles J. Cohen | 5-11-12 | ▶ Secretary/Treasurer

Signature of officer or trustee | Date | Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self- employed	PTIN
LANCE R. MADSON	CPA	05/08/12		P00131735

Firm's name ▶ BOULAY, HEUTMAKER, ZIBELL & CO. P.L.L.P

Firm's EIN ▶ 41-0887288

Firm's address ▶ 7500 FLYING CLOUD DRIVE, #800
MINNEAPOLIS, MN 55344

Phone no. 952-893-9320

Schedule B **(Form 990, 990-EZ, or 990-PF)** Department of the Treasury Internal Revenue Service	**Schedule of Contributors** ▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**	OMB No 1545-0047 **2011**

Name of the organization	**Employer identification number**
THE JOSEPH DURDA FOUNDATION	41-1672558

Organization type (check one)·

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule See instructions.

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor Complete Parts I and II

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1 Complete Parts I and II

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc , purposes, but these contributions did not total to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc , contributions of $5,000 or more during the year. ▶ $ ____________

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on Part I, line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization	**Employer identification number**
THE JOSEPH DURDA FOUNDATION	41-1672558

Part I **Contributors** (see instructions) Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	DANIEL J. DURDA 5770 HARDSCRABBLE CIRCLE MOUND, MN 55364	$ 100,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
2	CHERYL D. & MILES J. COHEN 10040 INDIGO DRIVE EDEN PRAIRIE, MN 55347	$ 40,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
3	DAVID M. DURDA 300 RIVER ANNE COURT #300 VIRGINIA BEACH, VA 23462	$ 5,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

Name of organization

THE JOSEPH DURDA FOUNDATION

Employer identification number

41-1672558

Part II **Noncash Property** (see instructions) Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Name of organization

THE JOSEPH DURDA FOUNDATION

Employer identification number

41-1672558

Part III *Exclusively* **religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than $1,000 for the year.** Complete columns **(a)** through **(e) and** the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **$1,000 or less** for the year. (Enter this information once) ▶ $

Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

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

SOURCE	AMOUNT
KINDER MORGAN ENERGY PARTNERS	39.
WELLS FARGO	6,737.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	6,776.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
KINDER MORGAN ENERGY PARTNERS	18.	1.	17.
WELLS FARGO	10,443.	180.	10,263.
TOTAL TO FM 990-PF, PART I, LN 4	10,461.	181.	10,280.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
KINDER MORGAN ENERGY PARTNERS	-4,595.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	-4,595.	0.	

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAXES	15.	0.		15.
STATE TAXES	25.	0.		25.
TO FORM 990-PF, PG 1, LN 18	40.	0.		40.

FORM 990-PF OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ADMINISTRATIVE EXPENSES	628.	0.		628.
TO FORM 990-PF, PG 1, LN 23	628.	0.		628.

FORM 990-PF CORPORATE STOCK STATEMENT 6

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
WELLS FARGO INVESTMENTS	396,417.	396,417.
TOTAL TO FORM 990-PF, PART II, LINE 10B	396,417.	396,417.

FORM 990-PF CORPORATE BONDS STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
WELLS FARGO INVESTMENTS	389,313.	389,313.
TOTAL TO FORM 990-PF, PART II, LINE 10C	389,313.	389,313.

FORM 990-PF LIST OF SUBSTANTIAL CONTRIBUTORS PART VII-A, LINE 10 STATEMENT 8

NAME OF CONTRIBUTOR	ADDRESS
MILES & CHERYL COHEN	10040 INDIGO DRIVE EDEN PRAIRIE, MN 55347

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 9

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
DANIEL J. DURDA 5770 HARDSCRABBLE CIRCLE MOUND, MN 55364	PRESIDENT 1.00	0.	0.	0.
MILES J. COHEN 10040 INDIGO DRIVE EDEN PRAIRIE, MN 55347	SECRETARY/TREASURER 10.00	2,000.	0.	0.
CHERI DURDA COHEN 10040 INDIGO DRIVE EDEN PRAIRIE, MN 55347	VICE PRESIDENT/DIRECTOR 1.00	0.	0.	0.
PEG DURDA KNAPP 7201 YORK AVENUE SOUTH #311 EDINA, MN 55435	DIRECTOR 1.00	0.	0.	0.
BRIAN J. COHEN 6147 CREEK LINE DRIVE MINNETONKA, MN 55345	DIRECTOR 1.00	0.	0.	0.
MICHAEL J. COHEN 5716 HIGH PARK DRIVE MINNETONKA, MN 55345	DIRECTOR 1.00	0.	0.	0.
CHRISTOPHER J. COHEN 7661 CENTURY BLVD CHANHASSEN, MN 55317	DIRECTOR 1.00	0.	0.	0.
DAVID M. DURDA 300 RIVER ANNE COURT #300 VIRGINIA BEACH, VA 23462	NON-VOTING MEMBER 0.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		2,000.	0.	0.

FORM 990-PF PART XV - LINE 1A STATEMENT 10

LIST OF FOUNDATION MANAGERS

NAME OF MANAGER

DANIEL J. DURDA
MILES J. COHEN
CHERI DURDA COHEN

FORM 990-PF GRANT APPLICATION SUBMISSION INFORMATION STATEMENT 11
PART XV, LINES 2A THROUGH 2D

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

DANIEL J. DURDA
4100 PEAVEY ROAD
CHASKA, MN 55318

TELEPHONE NUMBER

FORM AND CONTENT OF APPLICATIONS

REQUESTS CAN BE MADE ONLY BY A LETTER DESCRIBING THE NEED FOR A GRANT. A COPY OF THE GRANT APPLICANT'S IRS NOTICE OF TAX-EXEMPT STATUS MUST BE ATTACHED TO THE LETTER.

ANY SUBMISSION DEADLINES

DECEMBER 1 OF THE CURRENT CALENDAR YEAR

RESTRICTIONS AND LIMITATIONS ON AWARDS

THE FOUNDATION WILL ONLY MAKE CONTRIBUTIONS TO NON-PROFIT, TAX-EXEMPT ENTITIES DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE, WHICH ARE PUBLIC CHARITIES (I.E., NOT PRIVATE FOUNDATIONS) UNDER SECTION 509(A)(1) OR (2) OF THE CODE, AND WHICH CARRY OUT CHARITABLE AND/OR SCIENTIFIC PURPOSES WITHIN THE MEANING OF SECTION 501(C)(3) OF SAID CODE. THE FOUNDATION REQUIRES GRANT APPLICANTS TO SUPPLY THEIR IRS TAX-EXEMPTION LETTER AS PART OF THE APPLICATION PROCESS. GENERAL GUIDELINE FUNCTIONAL THRUST AREAS AS DEFINED BY THE BOARD ARE: EDUCATION, HEALTHCARE, DISABLED SERVICES, CHILDREN'S NEEDS, AND INDIGENT NEEDS.

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

MILES J. COHEN
4100 PEAVEY ROAD
CHASKA, MN 55318

TELEPHONE NUMBER

FORM AND CONTENT OF APPLICATIONS

REQUESTS CAN BE MADE ONLY BY A LETTER DESCRIBING THE NEED FOR A GRANT. A COPY OF THE GRANT APPLICANT'S IRS NOTICE OF TAX-EXEMPT STATUS MUST BE ATTACHED TO THE LETTER.

ANY SUBMISSION DEADLINES

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The Joseph Durda Foundation
4100 Peavey Road
Chaska, Minnesota 55318

Daniel J. Durda
President
952-448-6789

Miles J. Cohen
Secretary/Treasurer
952-934-2987

GRANT GUIDELINES AND APPLICATION PROCEDURE

HISTORY AND GENERAL PURPOSE:

The Joseph Durda Foundation [hereinafter referred to as the JDF] was founded in 1989 by a War hero, entrepreneur and humanitarian [see attached In Memoriam]. Its primary purpose is to carry on the many charitable causes that were important to Joseph Durda, past Chairman of Aeration Industries International, Inc. Over the past two decades, approximately 30% of grant distributions have gone to Cardiovascular and other Medical Research; 30% to Education; 22% to Services for the Disabled; 9% to children and adults with debilitating Health issues; 6% to the Needy/Poor/Homeless; 3% to Orphans, Underprivileged Youth, Emergency Transportation Services, and Military Veterans and their families. The current Directors of the JDF seek to keep alive the Founder's courageous spirit and compassion for the less fortunate among us.

CHARITABLE INTENT AND GUIDELINES:

The JDF is a Minnesota non-profit corporation which is organized and operated exclusively for Charitable and Scientific Purposes within the meaning of Section 501 [c] [3] of the Internal Revenue Code as amended. To accomplish its purposes, the Foundation will only make contributions to non-profit, tax-exempt entities described in Section 303 [c] [3] of the IRS Code which are Public Charities [i.e. not Private Foundations] under Section 509 [a] [1] or [2] of the Code and which carry out charitable and/or scientific purposes within the meaning of Section 501 [c] [3] of said Code. The JDF will require grant applicants to supply their IRS Tax-exemption letter as part of their application process. The Foundation generally favors the giving sectors listed above but, recently, has begun to "broaden out" [i.e. recent Veteran Services and Support]. General Guideline Functional Thrust Areas as defined by the Board are: Education, Healthcare, Disabled Services, Children's Needs and Indigent Needs.

APPLICATION PROCEDURE:

Grant requests are accumulated during the fiscal year ending 12/31. For current year consideration, applications should be received by the middle of December which is the time of the Annual Meeting of the JDF Board of Directors. Requests can be made only by letter with attachments describing the need and should be kept short and to the point. Also include a copy of your IRS Notice of Tax-exemption Letter as previously specified herein. Grant requests can be mailed to: The address listed on the below Public Notice.

NOTICE

The annual return filed on Form 990-PF for the following Private Foundation:
The Joseph Durda Foundation
is available at its principal office, 4100 Peavey Road, Chaska, Minnesota 55318, for inspection between the hours of 8:30 a.m. and 4:30 p.m., Monday through Friday, except holidays, by any citizen who requests it within 180 days after publication of this notice.

MILES J. COHEN
Secretary/Treasurer

PAST HISTORY + PHILOSOPHY

In Memoriam

Co-Founder Leaves Worldwide Legacy

Joseph Durda, co-founder, chairman and chief executive officer of Aeration Industries International, died of heart failure on June 30, 1990 in Minneapolis. He was 70.

Durda had waged a valiant battle against cancer since last July, 1989. His fight ended when the rigorous treatments he was undergoing for the disease caused his heart to fail. He left this world the way he wanted to...with his boots on. Durda was preparing to go into the office that Saturday morning when he collapsed. He was actively involved with life right up to the end.

Durda and his son, Daniel, founded the company in 1974 after purchasing the patent for a prototype aerating device. They improved on the patent after years of research and development and established the foundation for aspirating aeration technology in its flagship product, the AIRE-O_2 system.

Aeration Industries, now a world leading manufacturer of pollution control equipment, solves a variety of water treatment problems using state-of-the-art technology and consulting expertise based on more than a decade and a half of worldwide field experience. The company has installations throughout the USA and in more than 50 countries around the world.

Durda was born in Minneapolis, the son of immigrants. He graduated from Marshall High School where he excelled n football and boxing. Durda accepted a ootball scholarship to George Washngton University in Washington, D.C., where he earned a bachelor of science degree in 1942.

He served in the Navy during World War II as a pilot in the South Pacific heatre. He was awarded many decoraons including two Distinguished Flying Crosses.

After the war, he worked as a deputy n the Hennepin County Sheriff's department while attending law school ull-time at the Minneapolis College of aw, now called William Mitchell Colge of Law.

He was recalled to active Navy serce during the Korean War and later served as executive officer of the airraft carrier, U S S. Bennington, CVA-20. He attained the rank of full Commander upon his retirement.

Hans Petruska

Joseph Durda

In the 1960s, Durda concentrated his efforts in foreign trade, sales and marketing.

In the early 1970s he was appointed to the State's Board of Economic Development by Minnesota Governor Wendall Anderson. It was in that post that he learned of the aeration device. He purchased the patent and, along with his son, founded Aeration Industries.

The company made its first mark after the Durdas installed 27 AIRE-O_2 aerators in the Zumbrota, Minnesota, Wastewater Treatment Plan in 1977. The devices dramatically solved severe sludge and other problems within five days. Over the years, one of the company's notable achievements was the clean-up of Korea's Suyong River for the 1988 Olympic Games yacht races. The effort received worldwide recognition and was featured on Peter Jennings ABC World News Tonight.

Daniel Durda has been appointed the new chief executive officer and chairman of the board. He will retain his current duties as president of the company. Durda states, "Those of us who remain behind and assume responsibility for perpetuating Aeration Industries are committed to seeing Joe's dreams come to fruition."

Durda was a humanitarian (see Charitable Deeds Live On). Plagued with heart problems for years, he was a founding member of the Minneapolis Heart Institute. Always appreciative of the opportunity college football gave him to achieve an education, he pledged $1 million to the University of Minnesota Williams Scholarship Fund to help young people.

A Minneapolis banker said of Durda, "...he made an impression on many lives, including my own. Whenever I left Aeration (after a meeting), I set my sights a little higher, and my resolve little firmer, because I said to myself, Joe can shoot that high, so can we.'"

From Korea, came the message, "I always felt in several meetings with him he was really a humanitarian and respected man."

Durda married Dolores Monahan in 1942. Besides his wife and son Daniel, he is survived by his daughters, Pegg Knapp and Cheri Cohen; son David and five grandchildren as well as four brothers, one sister and numerous nieces and nephews.

Charitable Deeds Live On ←

The Joseph Durda Foundation has been created to continue the many charitable causes that were important and dear to his heart.

The causes holding highest priority include the underprivileged, the homeless, orphans and children with debilitating health problems who cannot afford proper care.

For more than a decade, Durda has contributed to many charities around the world, usually anonymously. For example, he contributed money to increase the quality of care for orphans in the Philippines; helped distribut bibles and set up missions in the People's Republic of China; and helped the needy in Korea.

Besides his involvement with the Minneapolis Heart Institute and University of Minnesota Williams Fund, he supported the needy in the area. Flowers sent to his memorial service containe the message, "Joe helped feed and clothe some 40,000 homeless people monthly."

The family and friends of Joseph Durda believe the foundation is the perfect vehicle to keep alive his courageous spirit and compassion for the less fortunate. If so desired, memorial donations can be made to the foundation in care of Aeration Industries, 4100 Peavey Road, Chaska, Minnesota 55318.

EXHIBIT 1

Officers and Directors names, titles, addresses and phone numbers:

Name/Address	E-Mail	Title/Phone
* Daniel J. Durda 5770 Hardscrabble Circle Minnetrista, MN 55364	dan.durda@aireo2.com	President,Director 952-807-1671 Cell 952-448-6789 W
* Miles J. Cohen 10040 Indigo Dr. Eden Prairie, MN 55347	mcohen@ix.netcom.com	Secty/Treas.Director 952-934-2987 H 952-297-7465 Cell
* Cheri Durda Cohen 10040 Indigo Dr. Eden Prairie, MN 55347	cheri.cohen@aireo2.com	Vice President,Director 952-934-2987 H 952-212-7012 Cell
* Peg Durda Knapp 7201 York Ave. So. # 311 Edina, MN 55435	peg.knapp@gmail.com	Director 952-426-1223 H 612-812-2617 Cell
** Brian J. Cohen 2060 Pinehurst Dr. Chanhassen, MN 55317	brian.cohen@aireo2.com	Director 952-201-5010 Cell 952-448-6789 W
*** Michael J. Cohen 4031 Pipewood Ln. Excelsior, MN 55331	cohen033@umn.edu	Director 952-975-3875 H 952-686-8832 Cell
**** Christopher J. Cohen 7661 Century Blvd. Chanhassen, MN 55317	christopher.cohen@ minnetonka.k12.mn.us	Director 952-470-5928 H 612-202-3092 Cell

* Charter Members since 1989. **Since 1998 ***Since 2009 ****Since 2010.

Non-voting member – David M. Durda	1-757-333-2810
Tax Consultant - Lance Madson, CPA, BHZ LLC	952-841-3116 W

JDF Board of Directors 08/2011.

THE JOSEPH DURDA FOUNDATION

FILE ORIG.

The Joseph Durda Foundation
4100 Peavey Road
Chaska, Minnesota 55318

Daniel J. Durda
President
952-448-6789

Miles J. Cohen
Secretary/Treasurer
952-934-2987

THE JOSEPH DURDA FOUNDATION [JDF]
Annual Meeting Minutes from December 16, 2011

The President called the meeting to order at approximately 3:30 PM in the second floor Board of Directors room of Aeration Industries International, LLC in Chaska, Minnesota. The President and Secretary/Treasurer [S/T] noted this was the 22nd Annual Meeting for the JDF which was incorporated as a 501 [c][3] non-profit Private Family Foundation on 7-31-89. S/T commented that Mr. Lance Madson [our CPA/Consultant] wasn't able to attend due to a prior family commitment. However, all the current Directors were present including: Daniel J. Durda, President; Miles J. Cohen, S/T; Cheryl D. Cohen, Vice President; Peg Durda Knapp, Vice President; Brian J. Cohen, Michael J. Cohen and Christopher J. Cohen. This represented a full Quorum under the By-Laws to conduct the business of the JDF.

Under Item #3 of Agenda [election of Officers and Directors for 2012], the S/T discussed the longterm strategic need for our Board to consider adding non-voting Directors as we move forward into the future to ensure professional continuity and to further support resources for the Family voting Directors. The new letterhead was introduced at this point to reflect the changes which had been suggested at our mid-year Interim Board meeting held in the summer. Namely, we listed the Founders prominately [Joe and Dolores Durda] and the formal title changes to VP for Cheryl D. Cohen and Peg Durda Knapp. The latter were moved by Brian J. Cohen and Daniel J. Durda and were unanimously approved by the Board. In addition, we decided to list various Professional service providers such as Mr. Madson [and his firm], Attorney, Bank Custodian, Investment Advisor etc. Cheri Cohen and Dan Durda will choose a final Logo and Domain address for our new website and have it [stationary] and new business envelopes available ASAP. A motion was then made by Peg Durda Knapp and seconded by the President to re-appoint all current Directors in the same capacity for the upcoming year.

S/T then highlighted the minutes from last year's annual meeting and the summer 2011 interim special meeting. Dan Durda motioned said minutes be approved and Peg Knapp seconded the motion. The minutes were approved.

S/T then reviewed the current Financial status of the JDF. At the end of November, 2011, the JDF Assets had a current market value [CMV] of approximately $791,000 roughly evenly divided between equities [stocks] and fixed income securities [bonds and money-market funds]. These securities were throwing off an annual income in excess of $23,000 a year for a current yield of 3%. Time-weighted Total Return for the Portfolio approximated 7.63% for the first eleven months [YTD] of 2011 and we're awaiting final results for the full fiscal/calendar year. Our current Investment Goals and Guidelines [approved on 12-15-10] permit a 50/50 stock to bond maximum asset allocation which is how the account is currently positioned. A long discussion was conducted on how to best "grow" our assets in the future so the JDF can reach our $1 million target level while still paying out significant grants each year into the future thereby fulfilling our Founding Donor's intent!

This discussion lead the Board to discuss the budget for this year's grants as well as the outlook for 2012. S/T pointed out that JDF carries over $56,000 of excess required distributions into this year so the Board is not required to pay-out its minimum 5% of net assets or net income [if larger] in 2011 or 2012. S/T recommended a 2011 grant amount in the range of $15,000-20,000 be considered given our current "cash" position and our growth outlook for the financial markets. He also noted higher JDF operating expenses as the portfolio grows and additional projects [such as additional Board meetings, Special studies like the U of M Scholarship analysis, designing new stationary, website, etc.] will mean higher printing, copying, postage, supply costs as the organization grows in size and scope.

The Board then moved on to a discussion of this year's Grant Requests [Agenda Item #6] which numbered eight during 2011. These included: The Minneapolis Heart Institute Fdn. [MHIF], Wounded Warriors, Minnesota Veterans Service Center at Airport, Minnesota Assistance Council for Veterans [MACV], The Salvation Army, The University of Minnesota, Union Gospel Mission [UGM] and Dakota Communities Inc. [DCI]. After thorough review, the following grants were unanimously approved for 2011 - distribution to follow: $5,000.00 for The Joseph Durda Family Scholarship Fund at the University of Minnesota; $3,000.00 for Minnesota Assistance Council for Veterans; $3,000.00 for The Salvation Army; $2,000.00 for Union Gospel Mission; and $2,000.00 for Dakota Communities, Inc. These grants total $ 15,000.00 in 2011. All of these charities meet JDF revised grant/application guidelines and are 501 [c][3] IRS qualified. Other requests were respectfully declined or, in the case of the Vets Service Center , deferred subject to Peg Knapp's further review.

The following gifts were made to the JDF during the year 2011 to further strengthen our future granting capacity and growth: $100,000.00 by Daniel J. Durda; $40,000.00 by Cheryl D. and Miles J. Cohen; $5,000.00 by David M. Durda; $2,000.00 by Brian J. Cohen; $1,000.00 by Christopher J. Cohen; $1,000.00 by Michael J. Cohen and $600.00 by Joyce Cohen Jacobson. These 2011 gifts total $149,600.00 and helped bring our total assets at 12-31-11 to $807,592.79. After grant distributions and expenses, our 12-31-11 CMV is $789,846.53 as we enter 2012 All of these gifts are greatly appreciated by the JDF. This continues our long history of meeting our Founders' Donative Intent to help as many needy people and organizations as possible each year while attempting to grow the corpus [Principal] of our financial assets at a rate commensurate with the annual rate of inflation so as to insure we can continue to give into the future. Our IRS 990PF tax returns consistently demonstrate JDF distributions annually well above our statutory requirements under the law, this year being a rare exception.

The Board then reviewed the various services provided the JDF by Mr. Cohen, S/T. Cheri Cohen moved and Chris Cohen seconded approval of $2,000.00 compensation for S/T for services rendered during the year. The Board unanimously voted in favor. S/T discussed the issue of higher operating expenses as alluded to earlier in this report. Such expenses approached $600.00 for 2011 and will likely increase again in 2012.

A discussion of the continuing transition of the Board and our professional advisors insued. Boulay, Heutmaker [BHZ] under Mr. Madson and assisted by S/T will complete this year's Form 990PF. As quoted earlier, such preparation fees should be somewhere in the $1,000 area assuming no "special audit circumstances". Legal counsel assistance was also discussed. Susan Link from the Kaplan firm had submitted a preliminary bid to amend/update our Articles/By-Laws and provide other filings and Board support. Hourly rates were around $400 per hour. S/T then contacted Anh Le Kremer with the Leonard Street firm to see if she would have an interest in such services once Mr. Cohen formally retires and she indicated she would. It was decided that she should be further "vetted" by Brian and Cheri Cohen on this matter with the possible intention of inviting her to our summer Board meeting. S/T has now interviewed four potential Investment Advisory firms to replace him in this role upon his pending retirement. As part of JDF "due diligence", we'll try to arrange for each firm to make a presentation on their services, performance and fees sometime in 2012. The firms we're looking at are: Mairs & Powers, Wells Fargo [our current custodian/administrator], Morgan Stanley Smith Barney and Boulay, Heutmaker & Zibell. The Board will be kept posted on these issues as we go through 2012.

Old business, including the development of a Website, was discussed. Cheri and Mike Cohen will seek approval of a "Domain Name" - The Joseph Durda Foundation.org as well as continue to develop materials for such a site. They'll report at our Mid-year meeting. Cheri has been meeting with a consultant on this issue as well for sometime now. This site development is crucial to our future JDF fundraising prospects and growth in general as we move forward.

New business will center around the evolving and continuing Board Transition and potential expansion of professional services to replace the four major functions our S/T currently provides the JDF, namely Legal, Accounting, Administration and Investment Advisory functions. This will help all of us as several of our "older" Board members retire and/or move on. It will certainly help our "younger" family members "carry-on" as well and allow them to focus on our giving priorities as a Foundation.

President Dan Durda suggested we meet again over lunch the second or third week in July, 2012 at Hazeltine [HNGC] to follow up on all these initiatives and to possibly hear several outside service-provider's presentations to our boardmembers. He then moved to adjourn this 22nd annual meeting of the JDF. Peg Durda Knapp seconded and the meeting was closed. The Board will continue to conduct our formal 23rd Annual Meeting in Mid-December of 2012 on a date yet to be set at a site of our choosing as is our longstanding custom. Notice will be sent out at least 30 days prior to said meeting by S/T.

Respectfully submitted,

Miles J. Cohen

Miles J. Cohen
Secretary/Treasurer
The Joseph Durda Foundation

The Joseph Durda Foundation
4100 Peavey Road
Chaska, Minnesota 55318

Daniel J. Durda
President
952-448-6789

Miles J. Cohen
Secretary/Treasurer
952-934-2987

JDF SPECIAL INTERIM BOARD MEETING
Thursday, July 28, 2011, 2:00 PM

President called meeting to order in lower Hazeltine Board Room with full quorum of seven Directors present. Due to asset size, number of Agenda issues including transitional planning etc., it was felt that a mid-year review would be helpful this year and would expedite the year end Annual meeting held in mid December. It is likely the Board may go to semi-annual meetings in the future but this issue was not voted on at this session.

Secretary/Treasurer [S/T] then went over Agenda Items included in the E-Mail Meeting Notice. President recommended we add to Agenda: Create new Letterhead, possible name change and addition of Dolores Durda to name and mission [guideline] statements. It was decided that Cheri Cohen, because of her professional experience, would design new letterhead after reviewing other organizational samples from S/T and President. For now, a Legal Name change decision was laid over until the complex issue of amendment/filing costs is analyzed by S/T. Specifically, the Trustees [Directors] could be listed along the left side and the use of JDF or a Logo/Picture will be researched. Completion before our year-end meeting was requested. It was also decided that the President and other Directors would review S/T changes to our Grant Guidelines to incorporate additional wording and displaying Dolores' name more prominantly in said documents. This would also compliment and help co-ordinate with the development of our Website. The latter project will be discussed prior to our annual meeting by Cheri Cohen with an outside consultant with results and estimated costs discussed at year end. Dan Durda will confirm with Granite Partners the continued use of the AII building's address and Board room by the Family Foundation and report at our year-end Annual Meeting.

S/T then lead the Board through a discussion of Board Fiduciary duties and the Board reviewed our current Investment Goals and Guidelines amended 12-15-10. S/T will be further revising and updating these to more quantitatively reflect the portfolio balance between risk and return in the context of our overall return goals,adequate for our current size and complexity [34 individual securities].

S/T then reviewed the 6-30-11 Statement of Assets from our Custodian, Wells Fargo Advisors, which showed a CMV of $760,764; estimated annual income of $22,322 [Yield of 3%], and an estimated six month total return of 5.1%. By late July, assets had grown to $767,486 and return to a positive 6.4%. This was near the peak as markets began to tumble based on the national debt debate and potential default crisis. Current asset allocation is evenly divided between stocks and bonds.

S/T then took the Board through each Equity holding using Value Line Research reports and displayed how our Bond style uses a "laddered" approach to reduce interest rate risk and our 16 Corporate and Government issues with an average maturity of approximately six years or 2017.

S/T and Board member, Michael Cohen, then reviewed the newly executed U of M Joseph Durda Scholarship Fund Memorandum of Agreement previously discussed and approved by the JDF Board. This created a Permanent Endowment to replace the old Quasi-Endowment and now precludes the invasion of Corpus by the University.

S/T moved on to the next item on the Agenda which briefed the Board on the outlook for year-end Grant Distributions. Mr. Cohen stated that, after counsel with BHZ our accountants, the JDF had significant [over $50,000] built up in prior years as an excess distribution credit available for 2011. So if the board does not wish to distribute 5% of net Assets or Net Income, whichever is greater, it does not have to at the year-end Annual Meeting. At this point, President handed out grant requests our office had received during this year's first half. They included: U of M Campus Stadium Fund, Armed Forces Service Center, Children's Heartlink, Salvation Army and Union Gospel Mission. After discussion, the Board felt both the Stadium Fund and Heartlink should be handled as in past years by AII[The Company] or by Mr. Durda, personally. Peg Knapp volunteered to visit the Airport's Service Center for Vets and UGM in St. Paul before the year-end meeting and come back with recommendations at the Annual Meeting. The President then recomended the JDF consider a long-term strategic pledge strategy for such organizations as Mpls. Heart Institute [where over $50,000 in cumulative gifts has been made], the U of M Scholarship Fund for Student Athletes, Military oriented charities and other long-term historically favored giving areas [see 20 year grant analysis] that were favored by Joe and Dolores Durda, our Founders. The Board unanimously agreed this would help prioritize our long-term distribution planning and in our investment planning as well. The Board will give this more thought and come prepared to discuss these specific "thrust" areas at the year-end gathering.

S/T and President then conducted a discussion of intermediate and longer term generational Board transition issues including the full retirement of Mr. Cohen, current S/T and wearer of four main functional hats: Legal, Investment, Administrative and Accounting/Tax Compliance. The President and S/T encouraged all Board members, especially the younger ones, to get more involved in Foundation affairs and to take more individual initiative and responsibility. The President then mentioned the possibility of small Director stipends in the future and S/T will research the "reasonableness" of such compensation under current IRS tax guidelines and report back at a later date. Certainly reasonable costs could be reimbursed to members for their travel, postage etc. related directly to JDF activity. Mr. Cohen stated he had met with BHZ and Wells Fargo on possible future investment management involvement. He also made contact with Susan Link [family estate planning attorney] with the Maslon firm as to their potential involvement in acting as JDF Counsel and encouraged the President and any Board to contact her in that regard. It is envisioned down the road that the JDF Board would include other family members as well as Professional non-voting members such as Mr. Lance Madson, recently brought on as CPA/Tax Compliance. Lance's firm, BHZ L.L.P., will be preparing the JDF 990PF tax form this year in concert with our Secretary/Treasurer for the first time.

Further discussions will be held on these organizational matters at our year-end meeting and we may decide to extend an invitation to Mrs. Link who could provide the Board with an estimate of the costs associated with acting as Corporate Secretary/Counsel.

Other business items were the President's encouragement to move ahead with his direct help on the issue of new letterhead, website development and future solicitations to all Reps and Suppliers [carefully at "Arms Length"] and others to try to help grow the assets to over one million dollars.

S/T has further amended the Listings by Name, Addresses and Phone #'s of all JDF Directors and has attached Exhibit to these minutes herewith.

The 2011 Annual Meeting was set for Friday, December 15, 2011 at 3:00 PM in the second floor Board Room of Aeration Industries International, LLC.

The President asked for closure and Cheri Cohen so motioned and was seconded by Peg Knapp.

Respectfully submitted,

Miles J. Cohen

Miles J. Cohen
Secretary/Treasurer
8-8-2011

AFFIDAVIT OF PUBLICATION

STATE OF MINNESOTA)
(SS
COUNTY OF HENNEPIN)

Carrie Retzack, being duly sworn on oath say she/he is and during all times herein stated has been the publisher or the publisher's designated agent in charge of the newspaper known as

FINANCE AND COMMERCE

and has full knowledge of the facts herein stated as follows

(A) The newspaper has complied with all of the requirements constituting qualifications as a legal newspaper, as provided by Minnesota Statute 331A 02, and 331A 07, and other appli- cable laws, as amended

(B) She/He further states on oath that the printed

Notice of Annual Return

22300874

hereto attached as part hereof was cut from the columns of said newspaper, and was printed and published therein in the English language, that it was first so published on

March 21, 2012 for 1 times(s),

the subsequent dates of publications being as follows

And that the following is a printed copy of the lower case alphabet from A to Z, both inclusive, and is hereby acknowledged as being the size and kind of type used in the composition and publication of said notice, to wit

_____ abcdefghijklmnopqrstuvwxyz

X abcdefghijklmnopqrstuvwxyz

Carrie Retzack

Subscribed and
Sworn to before me this 21st day of March, 2012

(Notarial Seal) Notary Public, Hennepin County, Minnesota

SHAWNA RHEA SCHMITZ
Notary Public-Minnesota
My Commission Expires Jan 31, 2015

RATE INFORMATION

1	Lowest classified rate paid by commercial users for comparable space	16.00000
2	Maximum rate allowed by law for the above matter	42.35000
3	Rate actually charged for the above matter	38.50000

NOTICE

The annual return filed on Form 990-PF for the following Private Foundation

THE JOSEPH DURDA FOUNDATION

is available at its principal legal office, 4100 Peavey Road, Chaska, MN 55318, for inspection between the hours of 8 30 A.M. and 4 30 P.M., Monday through Friday, except holidays, by any citizen who requests it within 180 days after publication of this notice

MILES J COHEN
Secretary/Treasurer
952-934-2987

DANIEL J. DURDA
President
952-448-6789

(Published in
Finance and Commerce
March 21, 2012)
22300874

THE JOSEPH DURDA FOUNDATION

Eden Prairie, Minnesota

Financial Statements

December 31, 2011

THE JOSEPH DURDA FOUNDATION

CONTENTS

Boulay, Heutmaker, Zibell & Co. P.L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Member of
IGAF POLARIS
A Global Association of Independent Firms

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

The Board of Directors
The Joseph Durda Foundation
Eden Prairie, Minnesota

We have compiled the accompanying statement of assets, liabilities, and net assets – income tax basis of The Joseph Durda Foundation (a nonprofit private foundation) as of December 31, 2011, and the related statement of revenues, expenses and net assets – income tax basis for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the income tax basis of accounting.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the income tax basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in the financial statements prepared in accordance with the income tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial positions, changes in net assets, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Boulay, Heutmaker, Zibell + Co. P.L.L.P.
Certified Public Accountants

Minneapolis, Minnesota
May 2, 2012

THE JOSEPH DURDA FOUNDATION

Statement of Assets, Liabilities and Net Assets - Income Tax Basis

December 31, 2011

ASSETS	2011
Cash	$ 4,116
Investments	785,730
Total current assets	789,846
Total assets	$ 789,846
LIABILITIES AND NET ASSETS	
Net Assets	
Unrestricted net assets	$ 731,067
Unrealized gains and losses	58,778
Total liabilities and net assets	$ 789,846

THE JOSEPH DURDA FOUNDATION

Statement of Revenue, Expenses and Net Assets - Income Tax Basis

Year Ended December 31, 2011

	2011
Revenues	
Contributions	$ 149,600
Investment income, net	12,460
Net realized gains (losses) on investments	(526)
Capital gain distribution	180
Net contributions and revenues	161,714
Expenses	
Contributions, gifts, grants approved	15,000
Nonemployee compensation of officers, director	2,000
Management and general administrative expenses	628
Other	40
Total expenses	17,668
Change in Net Assets	144,046
Net Assets, Beginning of Year	587,021
Net Assets, End of Year	$ 731,067