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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.

2011

For calendar year 2011 or tax year beginning

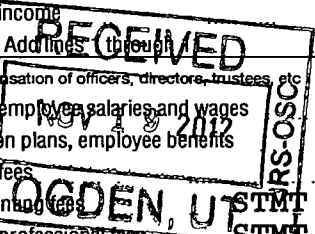
, and ending

Name of foundation THE LAFFEY-MCHUGH FOUNDATION		A Employer identification number 51-6015095
Number and street (or P.O. box number if mail is not delivered to street address) P.O. BOX 2286	Room/suite	B Telephone number 302-654-1680
City or town, state, and ZIP code WILMINGTON, DE 19899		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 55,906,194.	J Accounting method: <input type="checkbox"/> Cash <input type="checkbox"/> Accrual <input checked="" type="checkbox"/> Other (specify) INCOME TAX (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 <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(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	4,998,926.		N/A	
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	43,131.	43,131.		STATEMENT 1
	4 Dividends and interest from securities	607,374.	607,374.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	1,797,476.			
	b Gross sales price for all assets on line 6a	17,774,745.			
	7 Capital gain net income (from Part IV, line 2)		1,797,476.		
	8 Net short-term capital gain				
Operating and Administrative Expenses	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income	592,138.	592,138.		STATEMENT 3
	12 Total. Add lines 1 through 11	8,039,045.	3,040,119.		
	13 Compensation of officers, directors, trustees, etc.	192,633.	96,316.		96,317.
	14 Other employee salaries and wages	4,000.	2,000.		2,000.
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees	51,365.	25,683.		25,682.
	c Other professional fees	396,456.	396,456.		0.
	17 Interest				
	18 Taxes	115,705.	8,985.		6,720.
	19 Depreciation and depletion	6,372.	0.		
	20 Occupancy	13,921.	6,961.		6,960.
	21 Travel, conferences, and meetings				
22 Printing and publications					
23 Other expenses	34,335.	17,170.		17,165.	
24 Total operating and administrative expenses. Add lines 13 through 23	814,787.	553,571.		154,844.	
25 Contributions, gifts, grants paid	2,624,781.			2,624,781.	
26 Total expenses and disbursements. Add lines 24 and 25	3,439,568.	553,571.		2,779,625.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	4,599,477.				
b Net investment income (if negative, enter -0-)		2,486,548.			
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				
	2	Savings and temporary cash investments		972,860.	1,334,908.	1,334,908.
	3	Accounts receivable ▶				
		Less: allowance for doubtful accounts ▶				
	4	Pledges receivable ▶				
		Less: allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons				
	7	Other notes and loans receivable ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments - U.S. and state government obligations STMT 9		4,163,878.	0.	0.
	b	Investments - corporate stock STMT 10		11,983,938.	14,154,667.	15,543,441.
	c	Investments - corporate bonds STMT 11		3,982,520.	7,613,867.	7,717,676.
11	Investments - land, buildings, and equipment basis ▶					
	Less accumulated depreciation ▶					
12	Investments - mortgage loans					
13	Investments - other STMT 12		28,685,943.	31,272,415.	31,244,195.	
14	Land, buildings, and equipment basis ▶ 177,578.					
	Less accumulated depreciation STMT 8 ▶ 111,604.		53,215.	65,974.	65,974.	
15	Other assets (describe ▶)					
16	Total assets (to be completed by all filers)		49,842,354.	54,441,831.	55,906,194.	
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 ▶ <input type="checkbox"/>					
	and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>					
	and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds		0.	0.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.	
29	Retained earnings, accumulated income, endowment, or other funds		49,842,354.	54,441,831.		
30	Total net assets or fund balances		49,842,354.	54,441,831.		
31	Total liabilities and net assets/fund balances		49,842,354.	54,441,831.		

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	49,842,354.
2	Enter amount from Part I, line 27a	2	4,599,477.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	54,441,831.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	54,441,831.

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					
b SEE ATTACHED STATEMENTS					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e 17,774,745.		15,977,269.	1,797,476.		
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					
b					
c					
d					
e			1,797,476.		
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	1,797,476.	
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	2,653,963.	50,299,848.	.052763
2009	2,389,469.	46,083,197.	.051851
2008	3,194,568.	56,144,187.	.056899
2007	3,995,182.	66,654,098.	.059939
2006	3,652,899.	70,491,377.	.051821
2 Total of line 1, column (d)			2 .273273
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 .054655
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5			4 53,879,459.
5 Multiply line 4 by line 3			5 2,944,782.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 24,865.
7 Add lines 5 and 6			7 2,969,647.
8 Enter qualifying distributions from Part XII, line 4			8 2,779,625.

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 <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	49,731.
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	49,731.
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	49,731.
6 Credits/Payments:			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	57,616.	
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	57,616.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	7,885.	
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax <input type="checkbox"/> 7,885. Refunded <input type="checkbox"/>	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see 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. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 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.		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) <input type="checkbox"/> DE		
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

N/A

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? Website address ► <u>N/A</u>	13	X	
14	The books are in care of ► <u>DAVID SYSKO</u> Telephone no. ► <u>302-654-1680</u> Located at ► <u>COMMUNITY SERVICE BLDG, SUITE #815, WILMINGTON, D</u> ZIP+4 ► <u>19801</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	15	N/A	
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	16	Yes	No
				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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	
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?	1b	
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)):	1c	X
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ►		
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.)	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No**b** If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

▶ ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

6b

If "Yes" to 6b, file Form 8870.

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 13		192,633.	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

Form 990-PF (2011)

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."

[illegible]

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

C

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	
		0.
2		
	All other program-related investments. See instructions.	
3		
	Total. Add lines 1 through 3	0.

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	53,450,353.
b	Average of monthly cash balances	1b	1,249,605.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	54,699,958.
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	54,699,958.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	820,499.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	53,879,459.
6	Minimum investment return. Enter 5% of line 5	6	2,693,973.

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	2,693,973.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	49,731.
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	49,731.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	2,644,242.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	2,644,242.
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	2,644,242.

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	2,779,625.
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	2,779,625.
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	2,779,625.

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				2,644,242.
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	115,287.			
b From 2007	729,127.			
c From 2008	515,775.			
d From 2009	90,859.			
e From 2010	210,437.			
f Total of lines 3a through e	1,661,485.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ \$	2,779,625.			
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				2,644,242.
e Remaining amount distributed out of corpus	135,383.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	1,796,868.			
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	115,287.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	1,681,581.			
10 Analysis of line 9:				
a Excess from 2007	729,127.			
b Excess from 2008	515,775.			
c Excess from 2009	90,859.			
d Excess from 2010	210,437.			
e Excess from 2011	135,383.			

N/A

- ▶

☐ 4942(j)(3) or ☐ 4942(j)(5)

- [illegible]

Form **990-PF** (2011)

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				
SEE SCHEDULE 1				2,624,781.
Total			▶ 3a	2,624,781.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e)
		(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	Related or exempt function income
1 Program service revenue:						
a _____						
b _____						
c _____						
d _____						
e _____						
f _____						
g Fees and contracts from government agencies						
2 Membership dues and assessments						
3 Interest on savings and temporary cash investments				14	43,131.	
4 Dividends and interest from securities				14	607,374.	
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				18	592,138.	
8 Gain or (loss) from sales of assets other than inventory				18	1,797,476.	
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory						
11 Other revenue:						
a _____						
b _____						
c _____						
d _____						
e _____						
12 Subtotal. Add columns (b), (d), and (e)			0.		3,040,119.	0.
13 Total. Add line 12, columns (b), (d), and (e)					3,040,119.	

(See worksheet in line 13 instructions to verify calculations.)

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

[illegible]

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 | | X |
| | (2) Other assets | | X |
| b | Other transactions: | | |
| | (1) Sales of assets to a noncharitable exempt organization | | X |
| | (2) Purchases of assets from a noncharitable exempt organization | | X |
| | (3) Rental of facilities, equipment, or other assets | | X |
| | (4) Reimbursement arrangements | | X |
| | (5) Loans or loan guarantees | | X |
| | (6) Performance of services or membership or fundraising solicitations | | X |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | | 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. | | |

[illegible]

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

- b If "Yes," complete the following schedule.**

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

**Sign
Here**

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

Signature of officer or trustee

1152

Date

PRESIDENT

May the IRS discuss this return with the preparer shown below (see instr)?

☒ Yes ☐ No

**Paid
Preparer
Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

ALISON R. BROZOSKY

Alison R. Brooks, CH
FAMILY OFFICE, INC.

P00210810

Firm's name ► **WILMINGTON FAMILY OFFICE, INC**

Firm's EIN ► 20-4677514

Firm's address ► 1100 N. MARKET STREET
WILMINGTON, DE 19890-1200

Phone no. 302-651-8160

Form **990-PF** (2011)

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

THE LAFHEY-MCHUGH FOUNDATION

Employer identification number

51-6015095

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).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

Name of organization

Employer identification number

THE LAFHEY-MCHUGH FOUNDATION**51-6015095****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	ESTATE OF MARIE L MCHUGH C/O ARTHUR CONNOLLY, JR., P.O. BOX 2207 WILMINGTON, DE 19899	\$ 4,998,926.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Employer identification number

51-6015095

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

Name of organization

Employer identification number

THE LAFLEY-MCHUGH FOUNDATION**51-6015095**

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
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

THE LAFHEY-MCHUGH FOUNDATION

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	M&I A/C# 71-A311-05-0 (LAZARD)	P	01/01/11	12/31/11
b	M&I A/C# 71-A311-05-0 (LAZARD)	P	01/01/10	12/31/11
c	M&I A/C# 71-A311-07-6 (FUNDS)	P	01/01/11	12/31/11
d	M&I A/C# 71-A311-07-6 (FUNDS)	P	01/01/10	12/31/11
e	M&I A/C# 71-A311-08-4 (EAGLE	P	01/01/11	12/31/11
f	M&I A/C# 71-A311-08-4 (EAGLE	P	01/01/10	12/31/11
g	M&I A/C# 71-A311-09-2 (PINNACLE)	P	01/01/11	12/31/11
h	M&I A/C# 71-A311-09-2 (PINNACLE)	P	01/01/10	12/31/11
i	M&I A/C# 71-A311-10-0 (PERKINS)	P	01/01/11	12/31/11
j	M&I A/C# 71-A311-10-0 (PERKINS)	P	01/01/10	12/31/11
k	INERGY, LP	P	01/01/11	08/29/11
l	INERGY, LP	P	01/01/11	09/27/11
m	INERGY, LP	P	01/01/11	11/25/11
n	INERGY, LP	P	01/01/11	12/19/11
o	NISKA GAS STORAGE PARTNERS, LLC	P	01/01/11	05/03/11

(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 3,315,665.		3,398,691.	<83,026.>
b 1,727,623.		1,650,908.	76,715.
c 2,600,000.		2,320,555.	279,445.
d 2,845,951.		2,667,255.	178,696.
e 1,926,555.		1,605,002.	321,553.
f 635,453.		620,182.	15,271.
g 491,540.		395,743.	95,797.
h 50,349.		35,569.	14,780.
i 1,782,072.		1,508,829.	273,243.
j 209,910.		206,224.	3,686.
k 5,340.		7,581.	<2,241.>
l 5,477.		7,413.	<1,936.>
m 9,610.		13,731.	<4,121.>
n 7,048.		9,503.	<2,455.>
o 5,438.		5,007.	431.

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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			<83,026.>
b			76,715.
c			279,445.
d			178,696.
e			321,553.
f			15,271.
g			95,797.
h			14,780.
i			273,243.
j			3,686.
k			<2,241.>
l			<1,936.>
m			<4,121.>
n			<2,455.>
o			431.

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
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

THE LAFHEY-MCHUGH FOUNDATION

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	NISKA GAS STORAGE PARTNERS, LLC	P	01/01/11	06/01/11
b	NISKA GAS STORAGE PARTNERS, LLC	P	01/01/11	06/02/11
c	NISKA GAS STORAGE PARTNERS, LLC	P	01/01/11	06/03/11
d	NISKA GAS STORAGE PARTNERS, LLC	P	01/01/11	06/06/11
e	NISKA GAS STORAGE PARTNERS, LLC	P	01/01/11	06/07/11
f	NISKA GAS STORAGE PARTNERS, LLC	P	01/01/11	06/08/11
g	NISKA GAS STORAGE PARTNERS, LLC	P	01/01/11	06/09/11
h	NISKA GAS STORAGE PARTNERS, LLC	P	01/01/11	06/10/11
i	NISKA GAS STORAGE PARTNERS, LLC	P	01/01/11	08/24/11
j	WESTERN GAS PARTNERS, LP	P	01/01/11	08/31/11
k	WESTERN GAS PARTNERS, LP	P	01/01/11	09/01/11
l	GOLDMAN SACHS GLOBAL TACTICAL SERIES	P	01/01/10	12/31/11
m	CAPITAL GAINS DIVIDENDS			
n				
o				

(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 449.		454.	<5.>
b 508.		507.	1.
c 837.		844.	<7.>
d 424.		419.	5.
e 972.		992.	<20.>
f 693.		705.	<12.>
g 368.		383.	<15.>
h 427.		457.	<30.>
i 7,823.		11,806.	<3,983.>
j 8,544.		7,152.	1,392.
k 1,656.		1,357.	299.
l 1,628,787.		1,500,000.	128,787.
m 505,226.			505,226.
n			
o			

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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			<5.>
b			1.
c			<7.>
d			5.
e			<20.>
f			<12.>
g			<15.>
h			<30.>
i			<3,983.>
j			1,392.
k			299.
l			128,787.
m			505,226.
n			
o			

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	1,797,476.
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

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
2	COMPUTER HARDWARE	053101	200DB	5.00	17	25,439.			25,439.	25,439.		0.
3	FURNITURE	073101	200DB	7.00	17	28,694.			28,694.	28,694.		0.
4	LEASEHOLD IMPROVEMENT	073101	SL	39.00	16	60,262.			60,262.	14,549.		1,545.
5	FURNITURE	093002	SL	7.00	16	1,725.			1,725.	1,725.		0.
6	COMPUTER SOFTWARE	012502	SL	5.00	16	13,395.			13,395.	13,395.		0.
7	COMPUTER SOFTWARE	080703	SL	3.00	16	3,074.			3,074.	3,074.		0.
8	FURNITURE	110603	SL	7.00	16	6,250.			6,250.	6,250.		0.
9	TELEPHONE SYSTEM	062703	SL	7.00	16	655.			655.	655.		0.
10	FURNITURE	022403	SL	5.00	16	1,088.			1,088.	1,088.		0.
21	2 DELL COMPUTERS	091004	SL	5.00	16	6,053.			6,053.	6,053.		0.
22	FURNITURE	093006	SL	5.00	16	1,076.			1,076.	914.		162.
23	SERVER	113007	SL	5.00	16	2,812.			2,812.	1,733.		562.
24	COMPUTER SOFTWARE	073109	SL	5.00	16	3,888.			3,888.	1,102.		778.
25	COMPUTER SOFTWARE	080910	SL	3.00	16	4,036.			4,036.	561.		1,345.
26	COMPUTER SOFTWARE	091411	SL	3.00	16	14,284.			14,284.			1,587.
27	COMPUTER SOFTWARE	093011	SL	3.00	16	4,439.			4,439.			370.
28	COMPUTER SOFTWARE	102511	SL	3.00	16	408.			408.			23.
* TOTAL 990-PF PG 1						177,578.		0.	177,578.	105,232.	0.	6,372.
DEPR												

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

<u>SOURCE</u>	<u>AMOUNT</u>
ACCRUED INTEREST	21,421.
INTEREST-OLD	<3,437.>
INTEREST-VARIOUS SOURCES	25,147.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	43,131.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

<u>SOURCE</u>	<u>GROSS AMOUNT</u>	<u>CAPITAL GAINS DIVIDENDS</u>	<u>COLUMN (A) AMOUNT</u>
DIVIDENDS-VARIOUS SOURCES	1,112,600.	505,226.	607,374.
TOTAL TO FM 990-PF, PART I, LN 4	1,112,600.	505,226.	607,374.

FORM 990-PF OTHER INCOME STATEMENT 3

<u>DESCRIPTION</u>	<u>(A) REVENUE PER BOOKS</u>	<u>(B) NET INVEST- MENT INCOME</u>	<u>(C) ADJUSTED NET INCOME</u>
PARTNERSHIP INCOME/(LOSS)	555,198.	555,198.	
MISCELLANEOUS INCOME	643.	643.	
LITIGATION INCOME	313.	313.	
TAX REFUND	35,984.	35,984.	
TOTAL TO FORM 990-PF, PART I, LINE 11	592,138.	592,138.	

FORM 990-PF ACCOUNTING FEES STATEMENT 4

<u>DESCRIPTION</u>	<u>(A) EXPENSES PER BOOKS</u>	<u>(B) NET INVEST- MENT INCOME</u>	<u>(C) ADJUSTED NET INCOME</u>	<u>(D) CHARITABLE PURPOSES</u>
ACCOUNTING EXPENSES	51,365.	25,683.		25,682.
TO FORM 990-PF, PG 1, LN 16B	51,365.	25,683.		25,682.

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGEMENT FEES	396,456.	396,456.		0.
TO FORM 990-PF, PG 1, LN 16C	396,456.	396,456.		0.

FORM 990-PF	TAXES			STATEMENT 6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE TAX	100,000.	0.		0.
PAYROLL TAXES	13,441.	6,721.		6,720.
FOREIGN TAX WITHHELD	2,264.	2,264.		0.
TO FORM 990-PF, PG 1, LN 18	115,705.	8,985.		6,720.

FORM 990-PF	OTHER EXPENSES			STATEMENT 7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK CHARGES	235.	118.		117.
INSURANCE	9,108.	4,554.		4,554.
LEASE EXPENSE	1,654.	827.		827.
REIMBURSED EXPENSES	7,590.	3,795.		3,795.
OFFICE SUPPLIES	1,924.	962.		962.
POSTAGE	525.	263.		262.
TELEPHONE	5,259.	2,630.		2,629.
MISCELLANEOUS	5,219.	2,610.		2,609.
FRANCHISE TAXES	25.	13.		12.
PAYROLL FEES	1,364.	682.		682.
ALPHAGRAPHS	1,032.	516.		516.
TECH SERVICES	400.	200.		200.
TO FORM 990-PF, PG 1, LN 23	34,335.	17,170.		17,165.

FORM 990-PF DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 8

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE	FAIR MARKET VALUE
COMPUTER HARDWARE	25,439.	25,439.	0.	0.
FURNITURE	28,694.	28,694.	0.	0.
LEASEHOLD IMPROVEMENT	60,262.	16,094.	44,168.	44,168.
FURNITURE	1,725.	1,725.	0.	0.
COMPUTER SOFTWARE	13,395.	13,395.	0.	0.
COMPUTER SOFTWARE	3,074.	3,074.	0.	0.
FURNITURE	6,250.	6,250.	0.	0.
TELEPHONE SYSTEM	655.	655.	0.	0.
FURNITURE	1,088.	1,088.	0.	0.
2 DELL COMPUTERS	6,053.	6,053.	0.	0.
FURNITURE	1,076.	1,076.	0.	0.
SERVER	2,812.	2,295.	517.	517.
COMPUTER SOFTWARE	3,888.	1,880.	2,008.	2,008.
COMPUTER SOFTWARE	4,036.	1,906.	2,130.	2,130.
COMPUTER SOFTWARE	14,284.	1,587.	12,697.	12,697.
COMPUTER SOFTWARE	4,439.	370.	4,069.	4,069.
COMPUTER SOFTWARE	408.	23.	385.	385.
TO 990-PF, PART II, LN 14	177,578.	111,604.	65,974.	65,974.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 9

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
US GOVERNMENT BONDS	X		0.	0.
TOTAL U.S. GOVERNMENT OBLIGATIONS				
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			0.	0.

FORM 990-PF	CORPORATE STOCK	STATEMENT 10
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
COMMON STOCK	14,154,667.	15,543,441.
TOTAL TO FORM 990-PF, PART II, LINE 10B	14,154,667.	15,543,441.

FORM 990-PF	CORPORATE BONDS	STATEMENT 11
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
US CORPORATE BONDS	7,613,867.	7,717,676.
TOTAL TO FORM 990-PF, PART II, LINE 10C	7,613,867.	7,717,676.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT 12
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
MUTUAL FUNDS	COST	17,379,368.	17,066,008.
INVESTMENT PARTNERSHIPS	COST	13,176,737.	13,236,582.
ALTERNATIVE INVESTMENTS-HEDGE FUNDS	COST	716,310.	941,605.
TOTAL TO FORM 990-PF, PART II, LINE 13		31,272,415.	31,244,195.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 13

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
ARTHUR G. CONNOLLY, JR. 4615 WELDIN ROAD WILMINGTON, DE 19803	PRESIDENT 2.00	0.	0.	0.
COLINS J. SEITZ, JR. THE STRAND NEW CASTLE, DE 19720	VICE-PRESIDENT, CO-TREASUR 2.00	0.	0.	0.
CHRISTOPHER G. CONNOLLY 33 BEDFORD STREET, SUITE 10 LEXINGTON, MA 02420	VICE-PRESIDENT 2.00	0.	0.	0.
ARTHUR G. CONNOLLY, III 102 SCHOOL ROAD WILMINGTON, DE 19803	VP, ASST SEC, CO-TREASURER 2.00	0.	0.	0.
MARY C. BRAUN P.O. BOX 4007 GREENVILLE, DE 19807	VP, SECRETARY 2.00	0.	0.	0.
ANTOINE J. ALLEN 2305 BAYNARD BLVD. WILMINGTON, DE 19802	VICE-PRESIDENT 2.00	0.	0.	0.
PATRICE M. SYSKO 100 WEST 10TH STREET WILMINGTON, DE 19805	ADMINISTRATOR 40.00	60,000.	0.	0.
DAVID SYSKO 100 WEST 10TH STREET WILMINGTON, DE 19805	EXECUTIVE DIRECTOR 40.00	132,633.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		192,633.	0.	0.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 14

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

DAVID L. SYSKO
P.O. BOX 2286
WILMINGTON, DE 19899

TELEPHONE NUMBER

(302)654-1680

FORM AND CONTENT OF APPLICATIONS

APPLICATIONS SHOULD BE SUBMITTED IN LETTER FORM AND SHOULD INDICATE IF THE APPLICANT HAS BEEN GRANTED TAX EXEMPT STATUS BY THE IRS.

ANY SUBMISSION DEADLINES

THE DIRECTORS NORMALLY MEET IN MAY AND NOVEMBER. APPLICATIONS SHOULD BE SUBMITTED BY APRIL OR OCTOBER.

RESTRICTIONS AND LIMITATIONS ON AWARDS

NONE

The Laffey-McHugh Foundation, Inc.
EIN # 51-6015095
Schedule 1 - 2011 Contributions/Grants

<u>Date</u>	<u>Name</u>	<u>Amount</u>
01/31/2011	Catholic Chanties Annual Tribute Dinner	5,000 00
03/03/2011	Richardson Park Comm Action Prog Inc	-2,881 00
03/03/2011	The Christmas Shop	2,400 00
03/22/2011	Delaware Grantmaker's Association	5,000 00
04/14/2011	Rodney St Tennis & Tutorng Assoc	1,000 00
06/03/2011	Frederica Senior Center, Inc	5,000 00
06/03/2011	Fresh Start Scholarship Foundation	5,000 00
06/03/2011	Nativity Prep School of Wilmington	20,000 00
06/03/2011	Boy's & Girls Club	2,500.00
06/03/2011	Brandywine Conservancy	75,000 00
06/03/2011	Adoption Center of Delaware Valley	15,000.00
06/03/2011	All the Difference, Inc	15,000.00
06/03/2011	Alzheimer's Association	10,000.00
06/03/2011	American Red Cross in Delaware	10,000 00
06/03/2011	Benedictine Foundation	5,000 00
06/03/2011	Cambodian Children's Fund	40,000 00
06/03/2011	Caring Hearts Helping Hand, Inc	7,500 00
06/03/2011	Center for Creative Arts	20,000 00
06/03/2011	Children's Hospital of Philadelphia	75,000.00
06/03/2011	Cornerstone West CDC	20,000.00
06/03/2011	Delaware Elwyn, Inc	10,000.00
06/03/2011	Ulster Project Delaware	6,000.00
06/03/2011	Delaware State University	5,000 00
06/03/2011	Gilpin Hall	12,762 00
06/03/2011	Grand Opera House	30,000 00
06/03/2011	Hennetta Johnson Medical Center	50,000 00
06/03/2011	Ingleside Homes Inc	5,000.00
06/03/2011	Kids with Confidence	15,000 00
06/03/2011	Learning Ally	5,000.00
06/03/2011	Leukemia & Lymphoma Society	10,000 00
06/03/2011	Milton & Hattie Kutz	20,000 00
06/03/2011	Ministry of Caring, Inc	40,000.00
06/03/2011	NCALL	10,000 00
06/03/2011	Pathfinders, MBS	5,000 00
06/03/2011	Practice Without Pressure Inc	15,000 00
06/03/2011	Rotary Area 4 Can Do Too Playground	10,000 00
06/03/2011	Salvation Army/Dover	15,000 00
06/03/2011	Society of St Vincent de Paul	7,500 00
06/03/2011	United Cerebral Palsy of Delaware	10,000.00
06/03/2011	West End Neighborhood House	20,000 00

Date	Name	Amount
06/03/2011	Wilderness Workshop	5,000 00
06/03/2011	Wilmington Friends School	40,000 00
06/03/2011	Wilmington Youth Rowing Association	15,000 00
06/03/2011	YMCA of Delaware	10,000 00
06/03/2011	Zion Kindergarten/Preschool	10,000 00
06/03/2011	YMCA of Delaware	2,500 00
06/03/2011	Duffy's Hope	2,500 00
06/03/2011	Peter Spence Family Life Foundation	2,500 00
06/03/2011	Valley Partnership for Drug Prevention	27,000 00
06/06/2011	Cathedral Choir School of Delaware	15,000 00
06/06/2011	Delaware Breast Cancer Coalition	15,000 00
06/06/2011	St Peter's Cathedral School	40,000 00
06/06/2011	Colonial Chapter, Paralyzed Veterans	5,000 00
06/06/2011	Delaware Department of Health & Services	20,000 00
06/20/2011	Delaware Community Foundation	35,000 00
06/20/2011	St Joseph's Ctr for Community Services	-10,000 00
07/25/2011	Children's Health Foundation	10,000.00
08/09/2011	Community Legal Aid	10,000.00
08/09/2011	Delaware Community Foundation	10,000 00
11/27/2011	Wilmington Holiday Committee	5,000 00
12/02/2011	Ronald McDonald House of Delaware	25,000 00
12/02/2011	E. Side Comm Learning Center Foundation	45,000 00
12/02/2011	Delaware Elite, Inc	20,000.00
12/02/2011	Reading ASSIST Institute	20,000 00
12/02/2011	Mom's House (Dover)	10,000 00
12/02/2011	McLaughlin Education Fund	25,000 00
12/02/2011	KINfolk, Ltd	15,000 00
12/02/2011	Andrew McDonough B+ Foundation	30,000.00
12/02/2011	Children's Beach House, Inc.	10,000 00
12/02/2011	United Way of Delaware	85,000 00
12/02/2011	National Urban Fellows, Inc	10,000.00
12/02/2011	Operation Warm	15,000 00
12/02/2011	Saint Elizabeth High School	75,000 00
12/02/2011	Saint Francis Foundation	20,000.00
12/02/2011	Ministry of Caring, Inc	100,000 00
12/02/2011	Ministry of Caring, Inc	25,000 00
12/02/2011	Mental Health Association in Delaware	5,000 00
12/02/2011	Limen House	10,000.00
12/02/2011	Latin American Community Center	15,000 00
12/02/2011	Friendship House	10,000.00
12/02/2011	Food Bank of Delaware	80,000 00
12/02/2011	Faithful Friends, Inc	7,500 00
12/02/2011	Delaware Adolescent Program, Inc	5,000 00
12/02/2011	Connections Comm Support Programs, Inc	25,000 00

<u>Date</u>	<u>Name</u>	<u>Amount</u>
12/02/2011	Boy Scouts of America	5,000 00
12/02/2011	Exceptional Care for Children, Inc	35,000.00
12/02/2011	Cathedral of St Peter's -Seton Cntr	25,000.00
12/02/2011	Catholic Charities, Inc	100,000 00
12/02/2011	Combined Campaign for Justice	50,000 00
12/02/2011	DE Center for the Contemporary Arts/DCCA	5,000 00
12/02/2011	Global Greengrants Fund	5,000 00
12/02/2011	Habitat for Humanity	10,000 00
12/02/2011	La Red Health Center	20,000 00
12/02/2011	Little Sisters of the Poor	45,000.00
12/02/2011	Nature Conservancy	10,000 00
12/02/2011	Padua Academy	40,000 00
12/02/2011	Stand Up for What's Right and Just	10,000 00
12/02/2011	Children & Families First	10,000 00
12/02/2011	West Center City Early Learning Center	25,000 00
12/02/2011	Ocean Alliance	45,000 00
12/02/2011	National Alopecia Areata Foundation	10,000 00
12/02/2011	Elizabeth W Murphey School	5,000 00
12/02/2011	STEHM Inc	23,500 00
12/02/2011	NPower Delaware	20,000 00
12/02/2011	Lutheran Community Service Center	15,000 00
12/02/2011	Delaware Sports Museum and Hall of Fame	5,000 00
12/02/2011	Delaware Art Museum	10,000 00
12/02/2011	Chrstiana Care Health System	25,000 00
12/02/2011	Thomas Jefferson University	10,000 00
12/02/2011	United Cerebral Palsy of Delaware	25,000 00
12/02/2011	MOT Charter School	20,000.00
12/02/2011	Nanticoke Senior Center	25,000.00
12/02/2011	Survivors of Abuse in Recovery	10,000.00
12/02/2011	Family Counseling Center of St. Pauls	10,000 00
12/02/2011	The Tatnall School	25,000 00
12/02/2011	University of Pennsylvania Health System	100,000.00
12/02/2011	Delaware Nature Society	10,000 00
12/02/2011	Salesianum School	90,000 00
12/02/2011	Delaware CarePlan, Inc	10,000.00
12/02/2011	Lutheran Community Service Center	10,000 00
12/02/2011	Best Buddies of Delaware	7,500 00
12/02/2011	Saint Hedwig Church	10,000.00
12/03/2011	Clarence Fraim Senior Center	20,000 00
12/04/2011	The Wilmington Library	25,000 00
12/05/2011	Saint Michael's School and Nursery	45,000.00
12/05/2011	Learning Link of Delaware	20,000 00
12/12/2011	Delaware Humane Association	5,000 00
TOTAL		2,624,781.00

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ☒ **X**

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions	
Type or print Name of exempt organization or other filer, see instructions THE LAFFEY-MCHUGH FOUNDATION	Employer identification number (EIN) or <input checked="" type="checkbox"/> 51-6015095
Number, street, and room or suite no. If a P.O. box, see instructions. P.O. BOX 2286	Social security number (SSN) <input type="checkbox"/>
City, town or post office, state, and ZIP code. For a foreign address, see instructions. WILMINGTON, DE 19899	

Enter the Return code for the return that this application is for (file a separate application for each return) **0 4**

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

DAVID SYSKO - COMMUNITY SERVICE BLDG, SUITE #815 -

- The books are in the care of **WILMINGTON, DE 19801**

Telephone No. **302-654-1680**

FAX No. ☐

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ☐. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until **NOVEMBER 15, 2012.**

5 For calendar year **2011**, or other tax year beginning _____, and ending _____.

6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

7 State in detail why you need the extension _____

ADDITIONAL TIME IS NECESSARY TO PREPARE A COMPLETE AND ACCURATE TAX RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$ 82,616.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$ 82,616.
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$ 0.

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ☐

Title **PRESIDENT**

Date ☐