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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

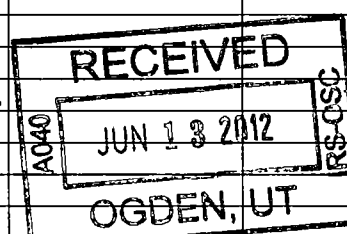
For calendar year 2011 or tax year beginning

, and ending

Name of foundation KENNEDY FOUNDATION, INC.		A Employer identification number 62-1296643
Number and street (or P.O. box number if mail is not delivered to street address) P.O. BOX 1607	Room/suite	B Telephone number (423) 756-5552
City or town, state, and ZIP code CHATTANOOGA, TN 37401		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) \$ 3,855,961.	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

Part I Analysis of Revenue and Expenses
(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue				
1 Contributions, gifts, grants, etc., received			N/A	
2 Check ☒ if the foundation is not required to attach Sch. B				
3 Interest on savings and temporary cash investments	1.	1.		STATEMENT 1
4 Dividends and interest from securities	151,624.	151,624.		STATEMENT 2
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	30,264.			
b Gross sales price for all assets on line 6a	245,264.			
7 Capital gain net income (from Part IV, line 2)		30,264.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income				
12 Total. Add lines 1 through 11	181,889.	181,889.		
Operating and Administrative Expenses				
13 Compensation of officers, directors, trustees, etc	0.	0.		0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees	STMT 3 2,800.	1,400.		1,400.
c Other professional fees	STMT 4 27,819.	27,819.		0.
17 Interest				
18 Taxes	STMT 5 1,116.	0.		0.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses	STMT 6 802.	477.		0.
24 Total operating and administrative expenses. Add lines 13 through 23	32,537.	29,696.		1,400.
25 Contributions, gifts, grants paid	193,025.			193,025.
26 Total expenses and disbursements. Add lines 24 and 25	225,562.	29,696.		194,425.
27 Subtract line 26 from line 12.	-43,673.			
a Excess of revenue over expenses and disbursements				
b Net investment income (if negative, enter -0-)		152,193.		
c Adjusted net income (if negative, enter -0-)			N/A	



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	26,138.	181,411.	181,411.	
	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 7	3,660,023.	3,274,119.	3,274,119.	
	c Investments - corporate bonds				
Liabilities	11 Investments - land, buildings, and equipment basis ▶				
	Less accumulated depreciation ▶				
	12 Investments - mortgage loans				
	13 Investments - other STMT 8	472,884.	400,431.	400,431.	
	14 Land, buildings, and equipment: basis ▶				
	Less accumulated depreciation ▶				
	15 Other assets (describe ▶)				
	16 Total assets (to be completed by all filers)	4,159,045.	3,855,961.	3,855,961.	
	17 Accounts payable and accrued expenses				
	18 Grants payable				
Net Assets or Fund Balances	19 Deferred revenue				
	20 Loans from officers, directors, trustees, and other disqualified persons				
	21 Mortgages and other notes payable				
	22 Other liabilities (describe ▶)				
23 Total liabilities (add lines 17 through 22)	0.	0.			
Foundations that follow SFAS 117, check here ▶ ☐	and complete lines 24 through 26 and lines 30 and 31				
	24 Unrestricted				
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here ▶ ☒	and complete lines 27 through 31			
		27 Capital stock, trust principal, or current funds	4,159,045.	3,855,961.	
		28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
		29 Retained earnings, accumulated income, endowment, or other funds	0.	0.	
30 Total net assets or fund balances	4,159,045.	3,855,961.			
31 Total liabilities and net assets/fund balances	4,159,045.	3,855,961.			

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	4,159,045.
2 Enter amount from Part I, line 27a	2	-43,673.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	4,115,372.
5 Decreases not included in line 2 (itemize) ▶ NET INCREASE IN UNREALIZED LOSSES	5	259,411.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	3,855,961.

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 OXFORD COMPANY MANAGED INVESTMENTS	P	10/23/09	10/31/11
b LTCG PASSTHROUGH FROM PARTNERSHIPS	P		
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 242,705.		215,000.	27,705.
b 2,559.			2,559.
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			27,705.
b			2,559.
c			
d			
e			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	30,264.
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	184,617.	3,956,977.	.046656
2009	185,545.	3,681,066.	.050405
2008	236,748.	3,865,745.	.061243
2007	231,651.	4,728,324.	.048992
2006	230,754.	4,662,516.	.049491
2 Total of line 1, column (d)			2 .256787
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 .051357
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5			4 4,061,214.
5 Multiply line 4 by line 3			5 208,572.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 1,522.
7 Add lines 5 and 6			7 210,094.
8 Enter qualifying distributions from Part XII, line 4			8 194,425.

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	3,044.
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	3,044.
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	3,044.
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	3,150.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	3,150.	
8 Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	73.	
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	33.	
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax ☐ 33. Refunded ☐	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b 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
1c 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. \$ 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.		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) <u>TN</u>		
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>JAMES D. KENNEDY, JR.</u> Telephone no. ► <u>423-756-5552</u> Located at ► <u>2001 RIVERSIDE DRIVE, CHATTANOOGA, TN</u> ZIP+4 ► <u>37406</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 <u>N/A</u>			
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? 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? ☐ 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)? Organizations relying on a current notice regarding disaster assistance check here N/A ► ☐	1b	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c	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? If "Yes," list the years ► _____, _____, _____ ☐ Yes ☒ No		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) N/A	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____, _____, _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No		
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?

6b

X

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ 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		0.	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)

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	3,658,950.
b	Average of monthly cash balances	1b	63,679.
c	Fair market value of all other assets	1c	400,431.
d	Total (add lines 1a, b, and c)	1d	4,123,060.
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	4,123,060.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	61,846.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,061,214.
6	Minimum investment return. Enter 5% of line 5	6	203,061.

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	203,061.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	3,044.
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	3,044.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	200,017.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	200,017.
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	200,017.

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	194,425.
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	194,425.
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	194,425.

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				200,017.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			192,074.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4: ► \$ 194,425.				
a Applied to 2010, but not more than line 2a			192,074.	
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				2,351.
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))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
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				197,666.
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	0.			
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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

N/A

- 1 a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling

- b** Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

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				
ALLIED ARTS OF GREATER CHATTANOOGA 406 FRAZIER AVENUE CHATTANOOGA, TN 37405	N/A	PUBLIC	ARTS EDUCATION	6,300.
ALZHEIMERS ASSOCIATION 7625 HAMILTON PARK DR CHATTANOOGA, TN 37421	N/A	PUBLIC	CHARITABLE	1,000.
AMERICAN HEART ASSOCIATION 519 E. 4TH STREET CHATTANOOGA, TN 37403	N/A	PUBLIC	CHARITABLE	
ARTS & EDUCATION COUNCIL OF CHATTANOOGA 3069 SOUTH BROAD ST, SUITE 2 CHATTANOOGA, TN 37408	N/A	PUBLIC	ARTS EDUCATION	1,500.
BAYLOR SCHOOL 171 BAYLOR SCHOOL ROAD CHATTANOOGA, TN 37405	N/A	PUBLIC	EDUCATION	1,025.
Total	SEE CONTINUATION SHEET(S)			193,025.
b Approved for future payment				
NONE				
Total				0.

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.					May the IRS discuss this return with the preparer shown below (see instr.)? ☒ Yes ☐ No		
	Signature of officer or trustee <i>[Signature]</i>		Date <i>6-5-12</i>		Title <i>Pres.</i>			
Paid Preparer Use Only	Print/Type preparer's name DAVID R. HOLT		Preparer's signature DAVID R. HOLT		Date 05/17/12		Check ☐ if self-employed	PTIN P01404049
	Firm's name ▶ HAZLETT, LEWIS & BIETER, PLLC						Firm's EIN ▶ 62-0509553	
	Firm's address ▶ 537 MARKET STREET, SUITE 300 CHATTANOOGA, TN 37402-1239						Phone no. (423) 756-6133	

Form **990-PF** (2011)

Part XV - Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
BRIGHT SCHOOL 1950 HIXSON PIKE CHATTANOOGA, TN 37405	N/A	PUBLIC	EDUCATION	25.
CHATTANOOGA AREA FOOD BANK 2009 CURTAIN POLE RD. CHATTANOOGA, TN 37406	N/A	PUBLIC	CHARITABLE	1,000.
CHATTANOOGA HAMILTON COUNTY RESCUE SERVICE 5910 LEE HIGHWAY CHATTANOOGA, TN 37421	N/A	PUBLIC	CHARITABLE	50.
CHATTANOOGA HISTORY CENTER 2 BROAD STREET CHATTANOOGA, TN 37402	N/A	PUBLIC	CULTURAL	10,000.
CHATTANOOGA MUSIC CLUB P. O. BOX 3128 CHATTANOOGA, TN 37404	N/A	PUBLIC	CULTURAL	5,000.
CHILDREN'S HOME CHAMBLISS SHELTER 315 GILLESPIE RD CHATTANOOGA, TN 37411	N/A	PUBLIC	CHARITABLE	100.
CHEROKEE AREA COUNCIL BOY SCOUTS 6031 LEE HIGHWAY CHATTANOOGA, TN 37421	N/A	PUBLIC	EDUCATION	5,000.
CHILDREN'S HOSPITAL CLASSIC 180 HAMM ROAD CHATTANOOGA, TN 37405	N/A	PUBLIC	CHARITABLE	10,000.
CHORAL ARTS OF CHATTANOOGA 3319 HIXSON PIKE CHATTANOOGA, TN 37415	N/A	PUBLIC	CULTURAL	500.
CHURCH OF THE GOOD SHEPHERD 211 FRANKLIN ROAD LOOKOUT MOUNTAIN, GA 30750	N/A	PUBLIC	RELIGIOUS	5,075.
Total from continuation sheets				183,200.

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
COMMUNITY FOUNDATION OF CHATTANOOGA 1270 MARKET STREET CHATTANOOGA, TN 37402	N/A	PUBLIC	CHARITABLE	1,030.
COVENANT COLLEGE 14049 SCENIC HIGHWAY LOOKOUT MOUNTAIN, GA 30750	N/A	PUBLIC	EDUCATION	5,000.
DALLAS CHILDREN'S THEATRE 5938 SKILLMAN DALLAS, TX 75231	N/A	PUBLIC	CULTURAL	8,000.
DALLAS MUSEUM OF ART 1717 NORTH HARWOOD DALLAS, TX 75201	N/A	PUBLIC	ARTS	1,000.
DARTMOUTH COLLEGE FUND 6066 DEVELOPMENT OFFICE HANOVER, NH 03755	N/A	PUBLIC	EDUCATION	1,000.
HABITAT RESTORE FUND 1201 EAST MAIN ST CHATTANOOGA, TN 37408	N/A	PUBLIC	CHARITABLE	1,000.
HUNTER MUSEUM OF AMERICAN ART 10 BLUFF VIEW AVE. CHATTANOOGA, TN 37403	N/A	PUBLIC	ARTS EDUCATION	350.
KERA PUBLIC RADIO 3000 HARRY HINES BOULEVARD DALLAS, TX 75201	N/A	PUBLIC	EDUCATION	1,500.
LITTLE MISS MAG CHILD CARE CENTER 214 WALNUT STREET CHATTANOOGA, TN 37403	N/A	PUBLIC	CHARITABLE	1,000.
LOOKOUT MOUNTAIN BEAUTIFICATION P. O. BOX 22 LOOKOUT MOUNTAIN, TN 37350	N/A	PUBLIC	CHARITABLE	25.
Total from continuation sheets				

Part XV - **Supplementary Information****3 Grants and Contributions Paid During the Year (Continuation)**

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
LOOKOUT MOUNTAIN PRESBYTERIAN CHURCH 316 N. BRAGG AVE. LOOKOUT MOUNTAIN, TN 37350	N/A	PUBLIC	RELIGIOUS	5,025.
MCR FOUNDATION 1400 MCCALLIE AVENUE CHATTANOOGA, TN 37404	N/A	PUBLIC	PUBLIC SAFETY	10,000.
METROPOLITAN MINISTRIES 1112 MCCALLIE AVENUE CHATTANOOGA, TN 37404	N/A	PUBLIC	CHARITABLE	25.
ROTARY FOUNDATION POLIO ERADICATION ONE UNION SQUARE, SUITE 506 CHATTANOOGA, TN 37402	N/A	PUBLIC	EDUCATION	6,300.
SPECIAL OLYMPICS 250 LAYNE ROAD SODDY-DAISY, TN 37379	N/A	PUBLIC	CHARITABLE	1,000.
ST. ANNE'S EPISCOPAL CHURCH 3098 SAINT ANNES LANE NW ATLANTA, GA 30327	N/A	PUBLIC	RELIGIOUS	10,000.
ST. GERARD MAJELLA CATHOLIC CHURCH 3049 LAFAYETTE ROAD FORT OGLETHORPE, GA 30742	N/A	PUBLIC	RELIGIOUS	100.
ST. PAUL'S EPISCOPAL CHURCH 305 W. SEVENTH STREET AT PINE CHATTANOOGA, TN 37402	N/A	PUBLIC	RELIGIOUS	5,000.
TENNESSEE AQUARIUM CONSERVATION SOCIETY ONE BROAD STREET CHATTANOOGA, TN 37402	N/A	PUBLIC	EDUCATION	1,000.
TENNESSEE RIVER GARDENS P. O. BOX 292 LOOKOUT MOUNTAIN, TN 37350	N/A	PUBLIC	CHARITABLE	1,000.
Total from continuation sheets				

Part XV . Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
TENNESSEE RIVER GORGE TRUST 535 CHESTNUT STREET CHATTANOOGA, TN 37402	N/A	PUBLIC	CHARITABLE	1,000.
THE COMPANY LAB 55 MAIN STREET CHATTANOOGA, TN 37408	N/A	PUBLIC	CHARITABLE	5,000.
UC FOUNDATION 605 OAK STREET CHATTANOOGA, TN 37403	N/A	PUBLIC	EDUCATION	1,200.
UNITED WAY OF ATLANTA 100 EDGEWOOD AVE. N.E. ATLANTA, GA 30303	N/A	PUBLIC	COMMUNITY CHARITY	10,000.
UNITED WAY OF CHATTANOOGA 630 MARKET STREET CHATTANOOGA, TN 37405	N/A	PUBLIC	COMMUNITY CHARITY	30,025.
UNITED WAY OF DALLAS 1800 NORTH LAMAR STREET DALLAS, TX 75202	N/A	PUBLIC	COMMUNITY CHARITY	10,000.
UNIVERSITY OF TENNESSEE AT CHATTANOOGA 615 MCCALLIE AVE. CHATTANOOGA, TN 37403	N/A	PUBLIC	EDUCATION	27,000.
UTC ATHLETICS 615 MCCALLIE AVE. CHATTANOOGA, TN 37403	N/A	PUBLIC	EDUCATION	1,120.
WAKE FOREST UNIVERSITY 1834 WAKE FOREST ROAD WINSTON-SALEN, NC 27106	N/A	PUBLIC	EDUCATION	250.
WSMC SOUTHERN ADVENTIST UNIVERSITY P. O. BOX 870 COLLEGE DALE, TN 37315	N/A	PUBLIC	CULTURAL	500.
Total from continuation sheets				

3 Grants and Contributions Paid During the Year (Continuation)

Total from continuation sheets

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

SOURCE	AMOUNT
SUNTRUST MONEY MARKET ACCOUNTS	1.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	1.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
THE TRUST COMPANY OF OXFORD	151,624.	0.	151,624.
TOTAL TO FM 990-PF, PART I, LN 4	151,624.	0.	151,624.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
HAZLETT, LEWIS, AND BIETER, PLLC	2,800.	1,400.		1,400.
TO FORM 990-PF, PG 1, LN 16B	2,800.	1,400.		1,400.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNT MANAGEMENT FEES	27,819.	27,819.		0.
TO FORM 990-PF, PG 1, LN 16C	27,819.	27,819.		0.

FORM 990-PF	TAXES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
TAX ON INVESTMENT INCOME	1,116.	0.		0.	
TO FORM 990-PF, PG 1, LN 18	1,116.	0.		0.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
PORTFOLIO DEDUCTIONS OF PASS THROUGH ENTITIES	477.	477.		0.	
MISCELLANEOUS	325.	0.		0.	
TO FORM 990-PF, PG 1, LN 23	802.	477.		0.	

FORM 990-PF	CORPORATE STOCK		STATEMENT	7
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE		
MUTUAL FUNDS	3,259,646.	3,259,646.		
EQUITIES	14,473.	14,473.		
TOTAL TO FORM 990-PF, PART II, LINE 10B	3,274,119.	3,274,119.		

FORM 990-PF	OTHER INVESTMENTS		STATEMENT	8
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE	
SAVILE ROW CS PARTNERSHIP	FMV	239,187.	239,187.	
SAVILE ROW HEDGED EQUITY PARTNERSHIP	FMV	161,244.	161,244.	
TOTAL TO FORM 990-PF, PART II, LINE 13		400,431.	400,431.	

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

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JAMES D. KENNEDY, JR. 127 DOGWOOD LANE, LOOKOUT MTN, TN 37350	PRESIDENT & DIRECTOR 2.00	0.	0.	0.
MOLLY K. KENNEDY 2001 CLEARFIELD LANE CHATTANOOGA, TN 37405-4265	DIRECTOR 1.00	0.	0.	0.
ELIZABETH K. SPRATLIN 3148 DARBYTOWN COURT ATLANTA, GA 30339	DIRECTOR 1.00	0.	0.	0.
JANE K. GREENE 6138 STEFANI DALLAS, TX 75225	DIRECTOR 1.00	0.	0.	0.
SHELIA M. CRANE 2001 RIVERSIDE DRIVE CHATTANOOGA, TN 37406	SECRETARY & DIRECTOR 2.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.