ORIGINAL

Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2011

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

Name of foundation: DAVID & KATHERINE LAWRENCE FOUNDATION

A Employer identification number: 84-6021554

Number and street (or P O box number if mail is not delivered to street address): 7600 EAST ARAPAHOE RD — Room/suite: 215

B Telephone number (see instructions): 303/488-9666

City or town, state, and ZIP code: ENGLEWOOD, CO 80112-1262

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) ▶ $ 636,613

J Accounting method: ☑ Cash ☐ Accrual ☐ Other (specify) STMT. 1 (Part I, column (d) must be on cash basis.)

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

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

	Line	Description	(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 STMT. 2	150,000			
	2	Check ▶ ☐ if the foundation is not required to attach Sch. B				
	3	Interest on cash STMT. 3	4	4	Non-operating	
	4	Dividends and interest from securities STMT. 4	13,066	12,968	Private Fdn.--	
	5a	Gross rents	--	--	Col. (c) Not	
	b	Net rental income or (loss) --				
	6a	Net gain or (loss) from sale of assets not on line 10	--			
	b	Gross sales price for all assets on line 6a --				
	7	Capital gain net income (from Part IV, line 2)		561		
	8	Net short-term capital gain			Required	
	9	Income modifications			Because	
	10a	Gross sales less returns and allowances --				
	b	Less: Cost of goods sold --				
	c	Gross profit or (loss) (attach schedule)	--		No Income	
	11	Other income (attach schedule) STMT. 5	142,591	19,239	from	
	12	**Total.** Add lines 1 through 11	305,661	32,772	Charitable	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc.	--	--	Activity	--
	14	Other employee salaries and wages	--	--	N/A	--
	15	Pension plans, employee benefits	--	--	N/A	--
	16a	Legal fees (attach schedule)	--	--	N/A	--
	b	Accounting fees (attach schedule) STMT. 6	2,885	2,164	N/A	721
	c	Other professional fees (attach schedule)	--	--	N/A	--
	17	Interest	--	--	N/A	--
	18	Taxes (attach schedule) (see instructions) STMT. 7	1,692	1,102	N/A	--
	19	Depreciation (attach schedule) and depletion	--	--	N/A	
	20	Occupancy	--	--	N/A	--
	21	Travel, conferences, and meetings	--	--	N/A	--
	22	Printing and publications	--	--	N/A	--
	23	Other expenses (attach schedule)	--	--	N/A	--
	24	**Total operating and administrative expenses.** Add lines 13 through 23	4,577	3,266	N/A	721
	25	Contributions, gifts, grants paid STMT. 8	20,600			20,600
	26	**Total expenses and disbursements.** Add lines 24 and 25	25,177	3,266	N/A	21,321
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	280,484			
	b	**Net investment income** (if negative, enter -0-)		29,506		
	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. (See instructions)

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing . . . STMT. 9	1,039	1,255	1,255
	2	Savings and temporary cash investments . . . STMT. 10	16,837	48,471	48,471
	3	Accounts receivable ▶			
		Less: allowance for doubtful accounts ▶	--	--	--
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶	--	--	--
	5	Grants receivable	--	--	--
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)	--	--	--
	7	Other notes and loans receivable (attach schedule) ▶			
		Less: allowance for doubtful accounts ▶	--	--	--
	8	Inventories for sale or use	--	--	--
	9	Prepaid expenses and deferred charges	--	--	--
	10a	Investments—U.S. and state government obligations (attach schedule)	--	--	--
	b	Investments—corporate stock (attach schedule) STMT. 11	197,100	312,962	312,962
	c	Investments—corporate bonds (attach schedule) STMT. 12	79,005	76,813	76,813
	11	Investments—land, buildings, and equipment: basis ▶			
		Less: accumulated depreciation (attach schedule) ▶	--	--	--
	12	Investments—mortgage loans	--	--	--
	13	Investments—other (attach schedule) . . . STMT. 13	60,610	69,495	194,155
	14	Land, buildings, and equipment: basis ▶			
		Less: accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶ STMT. 14)	2,700	2,957	2,957
	16	**Total assets** (to be completed by all filers—see the instructions. Also, see page 1, item I)	357,291	511,953	636,613
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 (attach schedule)	--	--	
	22	Other liabilities (describe ▶ STMT. 15)	362	590	
	23	**Total liabilities** (add lines 17 through 22)	362	590	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted	356,929	511,363	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see instructions)	356,929	511,363	
	31	**Total liabilities and net assets/fund balances** (see instructions)	357,291	511,953	

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	356,929
2	Enter amount from Part I, line 27a	2	280,484
3	Other increases not included in line 2 (itemize) ▶	3	--
4	Add lines 1, 2, and 3	4	637,413
5	Decreases not included in line 2 (itemize) ▶ STMT. 17	5	126,050
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	511,363

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	FERRELLGAS PARTNERS LP (PTP)--LTCG ALLOCATED TO FDN.			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				561
b				
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				561
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 }	2	561
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8	3	

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	16,717	400,487	4.17%
2009	18,073	359,397	5 03%
2008	21,210	394,785	5 37%
2007	19,317	409,886	4 71%
2006	18,074	385,739	4.69%

2	**Total** of line 1, column (d)	2	23.97%
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	4.79%
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	444,628
5	Multiply line 4 by line 3	5	21,298
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	295
7	Add lines 5 and 6	7	21,593
8	Enter qualifying distributions from Part XII, line 4	8	21,321

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	590
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	
3	Add lines 1 and 2	3	590
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	590
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: 610		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments. Add lines 6a through 6d	7	610
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	20
11	Enter the amount of line 10 to be: **Credited to 2012 estimated tax** ▶ — **Refunded** ▶	11	20

Part VII-A **Statements Regarding Activities**

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		✓
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		✓
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		✓
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ 0 **(2)** On foundation managers. ▶ $ 0			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		✓
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		✓
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		✓
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		✓
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		✓
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	✓	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	✓	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ COLORADO			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	✓	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		✓
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10	✓	

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		✓
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	✓	

Website address ▶ N/A

14 The books are in care of ▶ DAVID F. LAWRENCE, JR. Telephone no. ▶ 303/488-9666

Located at ▶ 7600 E. ARAPAHOE RD. #215, ENGLEWOOD, CO ZIP+4 ▶ 80112-1262

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Organizations relying on a current notice regarding disaster assistance check here . . . . ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53 4945–5(d).

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . **6b** ✓ No

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

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? . **7b**

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Katherine W. Lawrence, 7600 E. Arapahoe Rd. #215 Englewood, CO 80112	President/Trustee Part time	0	0	0
Sara A. Grey, 7600 E. Arapahoe Rd. #215 Englewood, CO 80112	Vice Pres./Trustee Part time	0	0	0
David F. Lawrence, Jr., 7600 E. Arapahoe Rd. #215 Englewood, CO 80112	Treasurer/Trustee Part time	0	0	0
Lori T. Lawrence, 7600 E. Arapahoe Rd. #215 Englewood, CO 80112	Secretary Part time	0	0	0

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

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

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

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

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE PAID OVER $50,000		
Total number of others receiving over $50,000 for professional services . . . . ▶		0

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 FOUNDATION DOES NOT CONDUCT DIRECT CHARITABLE ACTIVITIES	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NO PROGRAM-RELATED INVESTMENTS WERE MADE DURING THE YEAR	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 . . . . ▶	0

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	288,566
b	Average of monthly cash balances	1b	30,091
c	Fair market value of all other assets (see instructions) STMT. 16	1c	132,752
d	**Total** (add lines 1a, b, and c)	1d	451,399
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	451,399
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	6,771
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	444,628
6	**Minimum investment return.** Enter 5% of line 5	6	22,231

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	22,231
2a	Tax on investment income for 2011 from Part VI, line 5 — 2a: 590		
b	Income tax for 2011. (This does not include the tax from Part VI.) — 2b: 0		
c	Add lines 2a and 2b	2c	590
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	21,641
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	21,641
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	21,641

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	21,321
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the.		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	21,321
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	--
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	21,321

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				21,641
2	Undistributed income, if any, as of the end of 2011:				
a	Enter amount for 2010 only			2,179	
b	Total for prior years: 20___,20___,20___		0		
3	Excess distributions carryover, if any, to 2011:				
a	From 2006 ... 0				
b	From 2007 ... 0				
c	From 2008 ... 0				
d	From 2009 ... 0				
e	From 2010 ... 0				
f	**Total** of lines 3a through e	0			
4	Qualifying distributions for 2011 from Part XII, line 4: ▶ $ 21,321				
a	Applied to 2010, but not more than line 2a			2,179	
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				19,142
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 instructions			0	
f	Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				2,499
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0			
8	Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	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 ... 0				
b	Excess from 2008 ... 0				
c	Excess from 2009 ... 0				
d	Excess from 2010 ... 0				
e	Excess from 2011 ... 0				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling . . . . . ▶ N/A

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

	Tax year	Prior 3 years			
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter. (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter: (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year—see instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000). (See section 507(d)(2).)

DAVID F LAWRENCE, SR. (DIED 1991) AND KATHERINE W. LAWRENCE (CURRENT PRESIDENT/TRUSTEE)

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ▶ ☑ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed:

b The form in which applications should be submitted and information and materials they should include:

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
STATEMENT 7 ATTACHED				20,600
Total . . . . . . ▶ 3a				20,600
b *Approved for future payment*				
NONE				
Total . . . . . . ▶ 3b				0

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (See instructions.)
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	STMT 3		14	4	
4 Dividends and interest from securities	STMT 4		14	13,066	
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	STMT 5		15,16	142,591	
8 Gain or (loss) from sales of assets other than inventory					
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)				155,661	

13 **Total.** Add line 12, columns (b), (d), and (e) 13 155,661

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
	ALL ACTIVITIES WERE INVESTMENTS THAT PRODUCED INVESTMENT REVENUES FOR THE FOUNDATION.
	THE REVENUES WERE THE SOURCE OF CHARITABLE DISTRIBUTIONS.

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		✓
	(2) Other assets	1a(2)		✓
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		✓
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		✓
	(3) Rental of facilities, equipment, or other assets	1b(3)		✓
	(4) Reimbursement arrangements	1b(4)		✓
	(5) Loans or loan guarantees	1b(5)		✓
	(6) Performance of services or membership or fundraising solicitations	1b(6)		✓
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		✓

d If the answer to any of the above is "Yes," complete the following schedule. Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		NOT APPLICABLE	

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

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.

Dana Lawrence | 11/15/12 | TREASURER

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☑ if self-employed	PTIN
CONNIE R. BOYER, CPA	Connie R Boyer	11/15/2012		APPLIED FOR
Firm's name ▶ CONNIE R BOYER, CPA			Firm's EIN ▶	84-1232892
Firm's address ▶ 2860 SIXTH STREET, BOULDER, CO 80304-3010			Phone no	303/442-0142

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No 1545-0047

2011

Name of the organization	Employer identification number
DAVID & KATHERINE LAWRENCE FOUNDATION	84-6021554

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 33⅓% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1 Complete Parts I and II.

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

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

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

Name of organization	Employer identification number
DAVID & KATHERINE LAWRENCE FOUNDATION	84-6021554

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	KATHERINE W. LAWRENCE 7600 E ARAPAHOE RD. #215 ENGLEWOOD, CO 80112	$ 150,000	Person ☑ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

Name of organization	Employer identification number
DAVID & KATHERINE LAWRENCE FOUNDATION	84-6021554

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
	NONE	$	

(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
		$	

DAVID AND KATHERINE LAWRENCE FOUNDATION
84-6021554
2011 FORM 990-PF

STATEMENT 7
TAXES PAID OR ACCRUED

Excise tax on net investment income for 2011-- an accrued liability 12/31/11		$ 590
		1,102
TO 990-PF, PART I, LINE 18(a)		$ 1,692
LESS	Excise tax on net investment income (not deductible in computing net investment income)	(590)
TO 990-PF, PART I, LINE 18(b)--TAXES, OTHER THAN EXCISE TAX ON INVESTMENT INCOME--PAID ON CASH BASIS		$ 1,102

DAVID AND KATHERINE LAWRENCE FOUNDATION
84-6021554
2011 FORM 990-PF

STATEMENT 1
ACCOUNTING METHOD

The Foundation's financial accounting records are maintained on an accrual basis Therefore, all book values reported are those which reflect accrual basis. For purposes of the excise tax on net investment income, however, cash basis is used because (1) IRS consent to a change in accounting method has not been obtained, and (2) cash basis is required, in any event, when accounting for disbursements for charitable purposes [Part I, Col. (d)].

DAVID AND KATHERINE LAWRENCE FOUNDATION
84-6021554
2011 FORM 990-PF

STATEMENT 2
UNRESTRICTED GAIN FROM CONTRIBUTION

Unrestricted cash contribution received from single donor	$150,000 TO 990-PF PART I, LINE 1, COL. (a)

DAVID AND KATHERINE LAWRENCE FOUNDATION
84-6021554
2011 FORM 990-PF

STATEMENT 3
INTEREST AND DIVIDENDS ON TEMPORARY CASH INVESTMENTS & UNINVESTED CASH CALCULATED ON BOTH ACCRUAL AND CASH BASES

	(a) Amount Accrued, Unrealized 12/31/10	(b) Amount Accrued, Unrealized 12/31/11	(c) 2011 Book Income
U S Government MMF RBC Reserve Class	$ 0	$ 0	$ 4
	$ 0	$ 0	$ 4 TO 990-PF PART I LINE 3(a)-- INCOME PER BOOKS (ACCRUAL BASIS)
Net change to book income if cash basis had been used = Col. (a) - Col. (b)			0
			$ 4 TO 990-PF PART I LINE 3b & PART XVI-A, LINE 3-- INCOME (CASH BASIS)

DAVID AND KATHERINE LAWRENCE FOUNDATION
84-6021554
. 2011 FORM 990-PF

STATEMENT 4
DIVIDENDS AND INTEREST FROM SECURITIES OTHER THAN TEMPORARY CASH INVESTMENT ASSETS CALCULATED ON BOTH ACCRUAL AND CASH BASES

	(a) Amount Accrued, Unrealized 12/31/10	(b) Amount Accrued, Unrealized 12/31/11	2011 Book Income (Accrual Basis)	Totals
Ordinary income and STCG dividends				
Blackrock (BTZ)	$ 0	$ 157	$ 157	
Bristol-Myers Squibb (BMY)	0	0	1,056	
Franklin Templeton Ltd. Duration Income Tr. (FTF)	246	156	1,536	
GlaxoSmithKline (GSK)	101	109	441	
CommonWealth REIT (CWH)	0	0	1,000	
Invesco Dynamics Fund—Investor (FIDYX)	0	0	2,338	
Lexington Real Estate Trust (LXP)	129	140	528	
Xcel Energy (XEL)	431	443	1,760	
				$ 8,816
Interest from corporate debt investments				
$25,000 Capital One Capital II Enhanced TruPS (COFPRB)	0	0	1,875	
$50,000 ConocoPhillips 4 75% nt 10/15/12 (20825CAE4)	501	501	2,375	
TOTAL ACCRUAL ADJUSTMENT AMOUNTS	$ 1,408	$ 1,506		
				4,250

TOTAL BOOK INCOME (ACCRUAL BASIS) TO 990-PF, PART 1, LINE 4(a)	$ 13,066
ADJUST TOTAL BOOK INCOME	
Net accruals to modify to cash basis: Col. (a) - Col (b):	(98)
TOTAL CASH-BASIS INCOME TO 990-PF, PART 1, LINE 4(b)	$ 12,968

DAVID AND KATHERINE LAWRENCE FOUNDATION
84-6021554
2011 FORM 990-PF

STATEMENT 5
INCOME FROM ROYALTIES, PARTNERSHIPS & UNREALIZED HOLDING GAINS
(Page 1 of 2)

	Cash Basis 2011 Income	Entire Accrued 2011 Book Income
A. Royalty income (net of production taxes)		
OXY USA	$ 14,223	$ 14,356
Kimbell Oil	960	986
	$ 15,183	$ 15,342

B Partnership income

Notes· (a) Although income via these investments may be from unrelated businesses defined in the strictest sense, most of it is excluded from UBTI treatment by its nature, and there is not sufficient income, due to the $1,000 filing exemption of Tr Reg 1 6012-2(e) to require a separate 990-T return Therefore, partnership income is reported only on this 990-PF

(b) Income or loss from these partnership investments is of a passive nature to a limited partner A not-for-profit entity is not, however, included among those taxable entities which are subject to the passive-loss limitation rules [Tr Reg § 1 469-1T(b)], therefore, the whole of any loss is deducted The provisions of Treasury Reg § 1 469-5T(e) apply to limited partners, but only when a limited partner is subject to the overall rules, which is not the case for a not-for-profit foundation.

(c) Section 1231 gains/(losses) are treated as LTCG or LTCL if the gains total more than the losses. If §1231 gains equal or are less than § 1231 losses, however, then all § 1231 gains and losses are treated as ordinary gains and losses no matter how long the investment has been held

(d) Foreign tax credits are not allowed to be claimed against any but I R C. Chapter 1 taxes The Foundation pays only an excise tax, which is charged under Chapter 42 of the I.R C Therefore no foreign tax credit may be claimed

Ivy Properties, LLLP .... $ 2,694

The *financial accounting* value for this investment's *income/(loss)* is here scheduled in Col (c) at the value of cash withdrawals received (considered nonliquidating distributions from partnership income), in contrast with the amounts listed below which are included for tax purposes on Part I, Line 11(b), of this return

Interest	$ 11
Net rental passive income/(loss)	4,477
Overall net tax value	$ 4,488
Book value of inc distr rec'd	2,694
Difference [BV < tax value]	$ 1,794

Ferrellgas Partners, L.P. (a PTP--cannot be aggregated with other limited partnerships) 2,000

The *financial accounting* value for this investment's *income/(loss)* is scheduled in Col (c) of this Statement 5 at the value of cash withdrawals received (considered nonliquidating distributions from partnership income), Small amounts of deductions which might otherwise be listed on Part I, Lines 23 & 25, are included in the single tax value reported Part I, Line 11(b), of this return for the sake of simplicity (the tax effect is the same)

Portfolio interest income	$ 1
Ord loss, passive activities	(602)
Net income, passive rentals	259
Net STCL	2
§ 743B depreciation	(86) *
§ 1231 gain (net)--LTCG	561
Cash contributions	(6)
Net tax value--Pts I & IV of return	$ 129
Book value	2,000
Difference [BV > tax value]	$ (1,871)

*I.R.C. SECTION 754 STATEMENT: The taxpayer is a transferee partner in Ferrellgas Partners, L.P., Tax ID 43-1698480, who has a special basis adjustment under I R.C § 743(b) pursuant to an I R C. § 754 election made by Ferrellgas Partners, L.P. The special basis adjustment was computed and allocated to partnersip properties in accordance with the rules provided in I.R.C. §§ 743 and 755 and the regulations thereunder. Detailed information is available in the office of the general partner upon request.

SandRidge Mississippian Trust I, LP (a PTP--cannot be aggregated with other limited partnerships) 0

The *financial accounting* value for this investment's *income/(loss)* is scheduled in Col. (c) of this Statement 5 at the value of cash withdrawals received (considered nonliquidating distributions from partnership income), in contrast with the amounts listed below which are included for tax purposes on Part I, Line 11(b), of this return. Small amounts of deductions which might otherwise be listed on Part I, Lines 23 & 25, are included in the single tax value reported Part I, Line 11(b), of this return for the sake of simplicity (the tax effect is the same).

This limited partner's interest was not purchased until 12/16/2011. Therefore, the partnership reported zero amounts in all K-1 categories to this partner for 2011. Also, no distribution was received from the partnership in 2011.

Total accrued book income from partnership investments $ 4,694

DAVID AND KATHERINE LAWRENCE FOUNDATION
84-6021554
2011 FORM 990-PF

STATEMENT 5 (CONTINUED)
INCOME FROM ROYALTIES, PARTNERSHIPS & UNREALIZED HOLDING GAINS
(Page 2 of 2)

C Unrealized holding gains/(losses) on all fair-valued investments:

2011 holding gains/(losses) are recognized for book income, but not for cash-basis (taxable) income

	12/31/10 Portfolio Value	12/31/11 Portfolio Value	
Equities	$ 197,100	$ 312,962	
Bonds/Notes	79,005	76,813	
Ltd. partnerships (fair-valued)	25,610	34,495	
Totals	$301,715	$424,270	
Portfolios' Holding Gains Total			$122,555

Overall Summary

Royalty income--accrued book value	$ 15,342
Partnership income--accrued book value	4,694
Unrealized holding gains/(losses)	122,555
BOOK VALUE (ACCRUAL BASIS) TO 990-PF, PART I, LINE 11(a)	**$142,591**
ADJUST TOTAL BOOK VALUE TO DETERMINE TAXABLE AMOUNTS (CASH BASIS):	
Adjust royalty income for change in year-end accruals	(159)
Adj for changes in partnership income from book value to tax value:	
Ivy Properties, LLLP	1,794
Ferrellgas Partners, LP	(1,871)
SandRidge Mississippian Trust I, LP	0
Unrealized holding gains/(losses) on all fair-valued investments--remove gain/(losses) not tax significant	(122,555)
TOTAL DISTRIBUTABLE TO PARTS I & IV OF RETURN	**19,800**
DISTRIBUTE PART TO 990-PF, PART IV (NET LTCG FROM ABOVE)	**$ 561**
DISTRIBUTE PART TO 990-PF, PART I, LINE 11(b)	**$ 19,239**

DAVID AND KATHERINE LAWRENCE FOUNDATION
84-6021554
2011 FORM 990-PF

STATEMENT 6
ACCOUNTING FEES AND COST REIMBURSEMENTS

ACCOUNTING FEES AND REIMBURSED COSTS (accrual basis = cash basis)	$ 2,885 TO 990-PF PART I, LINE 16b, COL. (a)
ALLOCATION:	
TO INVESTMENT INCOME -- estimated as allocable to management of investments = 75%	$ 2,164 TO 990-PF PART I, LINE 16b, COL. (b)
TO CHARITABLE PURPOSES -- estimated as indirectly allocable to charitable purposes = 25%	$ 721 TO 990-PF PART I, LINE 16b, COL. (d)

DAVID AND KATHERINE LAWRENCE FOUNDATION
84-6021554
. 2011 FORM 990-PF

STATEMENT 8
CHARITABLE DISTRIBUTIONS

Recipient	Nature	Amount
Alzheimer's Association	Medical/Educational/Soc Welfare	$ 600
Big Brothers & Big Sisters	Social Welfare	1,000
Boys and Girls Clubs of Metro Denver	Social Welfare	2,500
Bridge Community	Social Welfare	1,000
Carbondale Council of Arts and Humanities	Arts	1,000
Central City Opera Ass'n.	Arts	1,000
Children's Hospital, Denver, CO	Medical	1,000
Colorado Academy	Educational	1,000
Denver Art Museum	Arts	1,000
Denver Botanic Gardens	Civic	1,000
Denver Museum of Nature and Science	Educational	1,500
Denver Rescue Mission	Social Welfare	1,000
Museum of Contemporary Art of Denver	Arts	1,000
University of Denver, Denver, CO	Educational	6,000
Total		$ 20,600

TO 990-PF, PART I. LINE 25, COLS. (a) & (d)

DAVID AND KATHERINE LAWRENCE FOUNDATION
84-6021554
2011 FORM 990-PF

STATEMENT 9
NON-INTEREST-BEARING CASH

Cash received by year end but not deposited into money market fund until following year:

	2010	2,011
OXY	$ 1,039 TO 990-PF, PART II, LINE 1(a)	$ 1,255 TO 990-PF, PART II, LINE 1, (b) & (c)

STATEMENT 10
SAVINGS AND TEMPORARY CASH INVESTMENT—
INTEREST BEARING

Account balance(s) at year end, net of outstanding checks (but excludes cash received by year end but not deposited into money market fund until the following year--which amount is reported on Statement 9):

	Value 12/31/10	Value 12/31/11
U S Government MMF RBC Reserve Class	$ 16,837	$ 48,471
	TO 990-PF, PART II, LINE 2 COL. (a)	TO 990-PF, PART II, LINE 2 COL. (b) & COL. (c)

DAVID AND KATHERINE LAWRENCE FOUNDATION
84-6021554
. 2011 FORM 990-PF

STATEMENT 11
INVESTMENTS IN SECURITIES:
CORPORATE EQUITIES

	Book Value = Fair Value 12/31/10	Book Value = Fair Value 12/31/11
Blackrock Credit Allocation Income Trust IV (BTZ)	$ 0	$ 24,300
Bristol-Myers Squibb BMY)	21,184	28,192
CommonWealth REIT (formerly HRPT Properties Trust) (CWH)	12,755	8,320
First Trust Strategic High Income Fund II (FHY)	0	30,560
Franklin Templeton Ltd. Duration Income Trust (FTF)	19,803	19,864
GlaxoSmithKline PLC Spons. ADR (GSK)	7,844	9,126
Invesco Dyn. Fund	86,434	82,634
Lexington Real Estate Trust (LXP)	8,927	8,410
Vodaphone Group PLC Sponsored ADR (VOD)	0	28,030
Wells Fargo & Co 7 5% Non-Cum Perpetual Cl A Pfd. Ser L (WFCPRL)	0	26,400
Xcel Energy (XEL)	40,153	47,126
TOTALS	$197,100 TO 990-PF, PART II, LINE 10(b), COL. (a)	$312,962 TO 990-PF, PART II, LINE 10(b), COL. (b) & COL. (c)

DAVID AND KATHERINE LAWRENCE FOUNDATION
84-6021554
. 2011 FORM 990-PF

STATEMENT 12
INVESTMENTS IN SECURITIES:
CORPORATE & GOVERNMENTAL BONDS AND NOTES

	Book Value = Fair Value 12/31/10	Book Value = Fair Value 12/31/11
$25,000 Capital One Capital II 7.5% Enhanced TruPS (COFPRB) Note: Because of the peculiarities of the hybrid structure for this security, the Foundation treats distributions, when received, as dividend revenue for *financial accounting* purposes, and as interest revenue for *tax* purposes The investment is, correspondingly, reported as an equity investment for *financial accounting* purposes, and as a debt investment for *tax* purposes.	$ 25,460	$ 25,320
$50,000 ConocoPhillips 4.75% note, mat. 10/15/12 (20825CAE4)	53,545	51,493
	$ 79,005 TO 990-PF, PART II, LINE 10(c), COL. (a)	$ 76,813 TO 990-PF, PART II, LINE 10(c), COL. (b) & COL. (c)

DAVID AND KATHERINE LAWRENCE FOUNDATION
84-6021554
2011 FORM 990-PF

STATEMENT 13
OTHER INVESTMENTS

	Book Value 12/31/10	Book Value 12/31/11	Fair Value 12/31/11
Mineral and ORRI investments			
MI in Dawson County, Texas [fair value estimated @ 5 X gross ann. royalty income (using accrual basis)]	$ 0	$ 0	$ 79,410
Partnership Investments.			
Ivy Properties, LLLP (acq 2000) [privately traded, no active market, fair value unknown, carried at cost]	35,000	35,000	80,250
Ferrellgas Partners, LP (acq. 2006) [publicly traded—fair value = market price, and book value annually adj. to FV under FASB stds.]	25,610	18,970	18,970
SandRidge Mississippian Trust I, LP (acq. 2011) [publicly traded—fair value = market price, and book value annually adj. to FV under FASB stds.]	0	15,525	15,525
TOTALS	$ 60,610 TO 990-PF, PART II, LINE 13, COL. (a)	$ 69,495 TO 990-PF, PART II, LINE 13, COL. (b)	$194,155 TO 990-PF, PART II, LINE 13, COL. (c)

DAVID AND KATHERINE LAWRENCE FOUNDATION
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2011 FORM 990-PF

STATEMENT 14
OTHER ASSETS -- RECEIVABLES

	Book Value 12/31/10	Book Value 12/31/11	Fair Value 12/31/11
Interest and dividends accrued at year end on securities			
Interest	$ 501	$ 501	$ 501
Dividends	907	1,005	1,005
	$ 1,408	$ 1,506	$ 1,506
Royalty income accrued at year end, net of accrued production taxes	1,292	1,451	1,451
	$ 2,700	$ 2,957	$ 2,957
	TO 990-PF, PART II, LINE 15(a)	TO 990-PF, PART II, LINE 15(b)	TO 990-PF, PART II, LINE 15(c)

STATEMENT 15
OTHER LIABILITIES

	12/31/10	12/31/11
Accrued excise tax payable on net investment income.	$ 362	$ 590
	TO 990-PF PART II, LINE 22 COL. (a)	TO 990-PF PART II, LINE 22 COL. (b)

DAVID AND KATHERINE LAWRENCE FOUNDATION
84-6021554
.2011 FORM 990-PF

STATEMENT 16
OTHER INVESTMENTS AS AVERAGE FAIR VALUE BASE FOR MINIMUM INVESTMENT RETURN

Royalty interests:

FMV	01/01/11	$ 68,925
FMV	12/31/11	79,410
		$148,335
		x 5
Average royalty interest value		$ 74,168

Limited partnership interests:

For purposes of calculating the minimum investment return, investments in limited partnerships have been valued differently, as noted below.

Ivy Properties, LLLP (acq 12/28/00) This investment in a 2% limited partner's interest is carried at cost No information is provided by the general partner upon which to base an estimate of fair value. There is no active market for this interest.		$ 35,000	
Ferrellgas Partners, LP (acq 2006)--a PTP			
Fair value 1/1/11	$ 25,610		
Fair value 12/31/11	18,970		
	$ 44,580		
	x .5		
		22,290	
SandRidge Mississippian Trust I, LP (acq. 2011)--a PTP NOTE This assets was owned only 1/2 month during 2011, so the monthly average investment has been used.			
Fair value 1/1/11 - 11/30 = 11 mos. X $0 =	$ 0		
Fair value 12/1/11 - 12/31/11 (acq. 12/16/11) = 1 mo. X $15,525 =	15,525		
	$ 15,525		
	+ 12		
		1,294	
Sub-total average for limited partnership interests			58,584

Average "other investments" for minimum investment return base	$132,752 **TO 990-PF, PART X, LINE 1(c)**

STATEMENT 17
OTHER INCREASES OR DECREASES FOR PART III

Explanation for decrease reported Part III, Line 5:

Pursuant to FASB rules, the Foundation's accounting books include adjustments for the Foundation's investment portfolios to their fair values, and simultaneously on the books such increases or decreases are recorded to fair-value income-statement adjustment accounts.

In 2011, the Foundation invested $126,050 in new securities and a new limited partnership interest. At the time of investment, cash decreased and investment assets increased in identical amounts. To that point, no problem. By year-end, the aggregate fair value of the new investments was $126,050 from zero at the start of the year. That amount of fair value is included as part of the asset value on Part II, Line 10b, Cols (b) and (c), causing it to be properly included in Part III, Line 6.

The same $126,050 is also included as a fair-value adjustment in Part I, Line 11(a), which causes it to be included in Part I, Line 27a. This is not a problem for the financial accounting records, but it does cause a problem for Part III of the 990-PF.

By the formula presented in Part III, the increased fair value of investments is reported on Line 6, which makes the year-end value of net assets correct. However, the offsetting increase to income included in Part I, Line 27a, is included in Part III, Line 4, causing it to overstate what that line would be expected to report by the amount of the adjustment to income per books that is merely an accounting entry that represents no true revenue to the Foundation. Therefore, on Part III, Line 5, the "fake" revenue included in Part I, Col (a), must be subtracted on Part III, Line 5.

Form **8868**

(Rev January 2012)

Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return

OMB No 1545-1709

• If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . ▶ ☑

• If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Electronic filing (*e-file*). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions) For more details on the electronic filing of this form, visit *www irs gov/efile* and click on *e-file for Charities & Nonprofits*

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only . ▶ ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions DAVID & KATHERINE LAWRENCE FOUNDATION	Employer identification number (EIN) or ☐ 84-6021554
	Number, street, and room or suite no If a P O box, see instructions 7600 EAST ARAPAHOE RD	Social security number (SSN) ☐
	City, town or post office, state, and ZIP code For a foreign address, see instructions ENGLEWOOD, CO 80112-1262	

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-T (corporation)	07
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

• The books are in the care of ▶ DAVID F LAWRENCE, JR - TREASURER

Telephone No ▶ 303/488-9666 FAX No ▶ 303/488-9664

• 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

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until AUGUST 15 , 20 12 , to file the exempt organization return for the organization named above The extension is for the organization's return for

▶ ☑ calendar year 20 11 or

▶ ☐ tax year beginning ______, 20 ___, and ending ______, 20 ___

2 If the tax year entered in line 1 is for less than 12 months, check reason· ☐ Initial return ☐ Final return ☐ Change in accounting period

3a	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	3a	$ 440
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	3b	$ 0
c	**Balance due.** Subtract line 3b from line 3a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	3c	$ 440

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

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

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 DAVID & KATHERINE LAWRENCE FOUNDATION	Employer identification number (EIN) or ☑ 84-6021554
File by the due date for filing your return See instructions	Number, street, and room or suite no If a P O box, see instructions 7600 EAST ARAPAHOE RD	Social security number (SSN) ☐
	City, town or post office, state, and ZIP code For a foreign address, see instructions ENGLEWOOD, CO 80112-1262	

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.

• The books are in the care of ▶ DAVID F LAWRENCE, JR. - TREASURER

Telephone No ▶ 303/488-9666 FAX No. ▶ 303/488-9664

• 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 , 20 12 .

5 For calendar year 2011 , or other tax year beginning ________ , 20 ____ , and ending ________ , 20 ____

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 NEEDED TO DETERMINE PROPER TREATMENT FOR ONE OF THE FOUNDATION'S SIGNIFICANT PARTNERSHIP INVESTMENTS. AT THIS ADVANCED STAGE OF COMPLETION, IT APPEARS MORE TAX WILL BE OWED THAN ORIGINALLY THOUGHT

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	$ 610
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	$ 440
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	$ 170

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 ▶ CPA Date ▶