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Form **990-PF**

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

OMB No 1545-0052

2011Department of the Treasury
Internal Revenue Service

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

For calendar year 2011 or tax year beginning

, and ending

Name of foundation

Original Return

A Employer identification number

SHIRLEY C. CARIS FAMILY FOUNDATION

86-0965394

Number and street (or P.O. box number if mail is not delivered to street address)

Room/suite

P. O. BOX 14315

B Telephone number (see instructions)

480-451-9244

City or town, state, and ZIP code

SCOTTSDALE

AZ 85267-4315

G Check all that apply.

☐

Initial return

☐

Initial return of a former public charity

☐

Final return

☐

Amended return

☐

Address change

☐

Name change

H Check type of organization ☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at

J Accounting method: ☒ Cash ☐ Accrual☐ Other (specify)

end of year (from Part II, col. (c),

line 16) **\$ 13,243,843** (Part I, column (d) must be on cash basis)E If private foundation status was terminated under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received (attach schedule)				
2	Check ☒ if the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments	260,476	260,476	260,476	
4	Dividends and interest from securities	127,773	127,773	127,773	
5a	Gross rents	3,600	3,600	3,600	
b	Net rental income or (loss) 3,600				
6a	Net gain or (loss) from sale of assets not on line 10 Stmt 1	73,683			
b	Gross sales price for all assets on line 6a 4,877,300				
7	Capital gain net income (from Part IV, line 2)		32,306		
8	Net short-term capital gain			0	
9	Income modifications				
10a	Gross sales less returns & allowances				
b	Less: Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule) Stmt 2	129,516		129,516	
12	Total. Add lines 1 through 11	595,048	424,155	521,365	
13	Compensation of officers, directors, trustees, etc.	50,000			
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule) See Stmt 3	111			
b	Accounting fees (attach schedule) Stmt 4	4,115			
c	Other professional fees (attach schedule)				
17	Interest				
18	Taxes (attach schedule) (see instructions) Stmt 5	117,167	793		
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications MAY 21 2012				
23	Other expenses (att sch) Stmt 6	120,182	85,838		
24	Total operating and administrative expenses. Add lines 13 through 23	291,575	86,631	0	0
25	Contributions, gifts, grants paid	492,000			492,000
26	Total expenses and disbursements. Add lines 24 and 25	783,575	86,631	0	492,000
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	-188,527			
b	Net investment income (if negative, enter -0-)		337,524		
c	Adjusted net income (if negative, enter -0-)			521,365	

Operating and Administrative Expenses (ANALYZE JUN 2012 REVENUE)

For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2011)

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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			
	2 Savings and temporary cash investments	8,979,687	8,661,749	8,661,749
	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 (att. schedule) ▶ Less: allowance for doubtful accounts ▶	0		
	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)			
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch.) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule) See Statement 7	1,274,447	1,249,043	1,542,094
	14 Land, buildings, and equipment basis ▶ 3,040,000 Less accumulated depreciation (attach sch.) ▶ Stmt 8	3,040,000	3,040,000	3,040,000
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item i)	13,294,134	12,950,792	13,243,843	
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 ▶)			
	23 Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ ☒			
	24 Unrestricted	13,294,134	12,950,792	
	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)	13,294,134	12,950,792	
	31 Total liabilities and net assets/fund balances (see instructions)	13,294,134	12,950,792	

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	13,294,134
2 Enter amount from Part I, line 27a	2	-188,527
3 Other increases not included in line 2 (itemize) ▶ See Statement 9	3	805
4 Add lines 1, 2, and 3	4	13,106,412
5 Decreases not included in line 2 (itemize) ▶ See Statement 10	5	155,620
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	12,950,792

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 UBS INVESTMENT ACCOUNT				
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 32,306			32,306	
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				
(i) FMV 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			32,306	
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	32,306
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 nonchangible-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	552,716	10,141,305	0.054501
2009	137,800	10,829,193	0.012725
2008	184,600	3,669,837	0.050302
2007	110,600	3,838,991	0.028810
2006	30,000	3,026,984	0.009911
2 Total of line 1, column (d)			2 0.156249
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.031250
4 Enter the net value of nonchangible-use assets for 2011 from Part X, line 5			4 10,416,162
5 Multiply line 4 by line 3			5 325,505
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 3,375
7 Add lines 5 and 6			7 328,880
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.			8 492,000

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	3,375
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	3,375
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	3,375
6	Credits/Payments		
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	2,200
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	2,200
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	1,175
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be Credited to 2012 estimated tax ☐ Refunded ☐	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b , attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation ☐ \$ _____ (2) On foundation managers ☐ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☐ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
b If "Yes," has it filed a tax return on Form 990-T for this year?	X	
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) ☐ AZ		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14	The books are in care of ► SHIRLEY CARIS FOUNDATION P. O. BOX 14315 Located at ► SCOTTSDALE AZ ZIP+4 ► 85267 Telephone no ►			
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			
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? N/A	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? If "Yes," list the years ► 20 , 20 , 20 , 20 ☐ 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. ► 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	X
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b	X

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

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

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

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

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

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

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

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

If "Yes" to 6b, file Form 8870

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

b If Yes, did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ 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 (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
CATHERINE ANN HART P. O. BOX 14315 SCOTTSDALE AZ 85267	PRESIDENT 3.00	50,000	0	0
SHERRY LYNN COWAN P. O. Box 639 PAYSON AZ 85547	SECR/TREAS. 3.00	0	0	0

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

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

Total number of other employees paid over \$50,000

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		

Total number of others receiving over \$50,000 for professional services ▶**Part IX-A Summary of Direct Charitable Activities**

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

	Expenses
1 N/A	
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 N/A	
2	
All other program-related investments. See instructions.	
3	

Total. Add lines 1 through 3 ▶

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	0
b	Average of monthly cash balances	1b	9,032,690
c	Fair market value of all other assets (see instructions)	1c	1,542,094
d	Total (add lines 1a, b, and c)	1d	10,574,784
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	10,574,784
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	158,622
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	10,416,162
6	Minimum investment return. Enter 5% of line 5	6	520,808

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	520,808
2a	Tax on investment income for 2011 from Part VI, line 5	2a	3,375
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	3,375
3	Distributable amount before adjustments Subtract line 2c from line 1	3	517,433
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	517,433
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	517,433

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	492,000
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	492,000
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	3,375
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	488,625

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				517,433
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only			491,441	
b Total for prior years. 20____, 20____, 20____				
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				
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ <u>492,000</u>				
a Applied to 2010, but not more than line 2a			491,441	
b Applied to undistributed income of prior years (Election required—see instructions)				
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 2011 distributable amount				559
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount—see instructions				
e Undistributed income for 2010 Subtract line 4a from line 2a. Taxable amount—see instructions				
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				516,874
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a				
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)

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

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

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

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

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see instructions.)**1 Information Regarding Foundation Managers:**

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

N/A

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

N/A

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

N/A

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

N/A

c Any submission deadlines

N/A

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

N/A

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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
Name and address (home or business)				
a Paid during the year See Statement 11				492,000
Total			3a	492,000
b Approved for future payment N/A				
Total			3b	

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

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

	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

[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		

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 instructions)? ☐ Yes ☐ No

**Sign
Here**


Signature of officer or trustee

5-14-12
Date

PRESIDENT

Paid
Preparer

Print/Type preparer's name

Preparer's signature

Date _____

Check ☐ if self-employed

Use Only

Firm's name ► Cosse' & Wallace, CPA's

PTIN	P00963306
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Firm's address ► P.O. Box 3969
Sedona, AZ 86340

Firm's EIN ► 86-0694276

Phone no 928-282-3040

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Whom Sold	Description	Date Acquired	Date Sold	How Received		Cost	Expense	Depreciation	Net Gain / Loss
				Sale Price	Purchase				
UBS INVESTMENT ACCOUNT RTN PRINC	Various	Various	Various	\$ 2,971	Purchase	2,971	\$	\$	
UBS INVESTMENT ACCOUNT SUMMARY	Various	Various	Various	200,000	Purchase	165,722			34,278
UBS INVESTMENT ACCOUNT SUMMARY	Various	Various	Various	456,070	Purchase	436,742			19,328
UBS PIMCO ACCOUNT SUMMARY	Various	Various	Various	935,240	Purchase	945,603			-10,363
UBS PIMCO ACCOUNT SUMMARY	Various	Various	Various	217,964	Purchase	226,188			-8,224
UBS PIMCO ACCOUNT SUMMARY	Various	Various	Various	779,951	Purchase	779,709			242
UBS PIMCO ACCOUNT RTN PRINC	Various	Various	Various	197,018	Purchase	197,018			
UBS MAC ACCOUNT SUMMARY	Various	Various	Various	1,423,429	Purchase	1,418,987			4,442
UBS MAC ACCOUNT SUMMARY	Various	Various	Various	390,487	Purchase	388,813			1,674
UBS MAC ACCOUNT RTN PRINC	Various	Various	Various	241,864	Purchase	241,864			
Total				\$ 4,844,994		\$ 4,803,617	\$ 0	\$ 0	\$ 41,377

Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books		Net Investment Income		Adjusted Net Income	
CRYOCELL	\$ 129,516		\$		\$ 129,516	
Total	\$ 129,516		\$	0	\$ 129,516	

Federal Statements

Statement 3 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Legal Fees	\$ 111	\$	\$	\$
Total	\$ 111	\$ 0	\$ 0	\$ 0

Statement 4 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Accounting Fees	\$ 4,115	\$	\$	\$
Total	\$ 4,115	\$ 0	\$ 0	\$ 0

Statement 5 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FEDERAL INCOME TAX	\$ 67,880	\$	\$	\$
AZ TAXES	14,609			
PROPERTY TAXES	33,885	793		
FOREIGN TAXES PAID INVESTMENT AC	793	793		
Total	\$ 117,167	\$ 793	\$ 0	\$ 0

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Expenses	\$	\$	\$	\$
UBS MANAGEMENT FEES	60,192	60,192		
DEL RIO/JACKRABBIT LLC	25,646	25,646		
OFFICE	260			
INSURANCE	25,970			
STORAGE	2,074			
REPAIR/MAINTENANCE	5,133			
UTILITIES	307			
LICENSE/FEES	600			
Total	\$ 120,182	\$ 85,838	\$ 0	\$ 0

Federal Statements

Statement 7 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
JACKRABBIT 72, LLC	\$ 292,684	\$ 283,915	Cost	\$ 283,915
DEL RIO 246, LLC	965,118	948,483	Cost	948,483
TEXAS REVENUE SHARING AGREEMENT	16,645	16,645	Cost	309,696
Total	\$ 1,274,447	\$ 1,249,043		\$ 1,542,094

Statement 8 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
LAND/BUILDING/FURN/FIXT (SCLC)	\$ 3,040,000	\$ 3,040,000	\$	\$ 3,040,000
Total	\$ 3,040,000	\$ 3,040,000	\$ 0	\$ 3,040,000

Federal Statements**Statement 9 - Form 990-PF, Part III, Line 3 - Other Increases**

<u>Description</u>	<u>Amount</u>
MISC. DIFFERENCES/PRIOR ADJUSTMENTS	\$ 805
Total	\$ 805

Statement 10 - Form 990-PF, Part III, Line 5 - Other Decreases

<u>Description</u>	<u>Amount</u>
BOOK INCOME LESS THAN 1099/RETURN INCOME	\$ 56,482
CRYOCELL BOOK INCOME LESS THAN 1099/RETURN INCOME	37,666
NET UNREALIZED LOSSES ON BOOKS NOT ON RETURN	61,472
Total	\$ 155,620

Federal Statements

Statement 11 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the
Year

Name		Address		Relationship	Status	Purpose	Amount
Address							
SEDONA CREATIVE LIFE CTR SCOTTSDALE AZ 85267		PO BOX 14315	501 C (3)			CHARITABLE PROGRAM	89,000
XAVIER COLLEGE PREPAR.		4710 N 5TH STREET	501 C (3)			CHARITABLE PROGRAM	110,000
PHOENIX AZ 85012		4710 N 5TH STREET	501 C (3)			CHARITABLE PROGRAM	25,000
XAVIER FOUNDATION, INC		2990 VALLEY VISTA DRIVE	501 C (3)			CHARITABLE PROGRAM	3,000
PHOENIX AZ 85012		PO BOX 1074	501 C (3)			CHARITABLE PROGRAM	30,000
GARDENS FOR HUMANITY		PO BOX 306	501 C (3)			CHARITABLE PROGRAM	40,000
SEDONA AZ 86351		3218 E BELL ROAD #203	501 C (3)			CHARITABLE PROGRAM	20,000
MEDICINE HORSE CENTER		2929 S 48TH STREET	501 C (3)			CHARITABLE PROGRAM	10,000
MANCOS CO 81328		5921 E INDIAN BEND ROAD	501 C (3)			CHARITABLE PROGRAM	5,000
TIME OUT, INC.		515 E CAREFREE HWY #981	501 C (3)			CHARITABLE PROGRAM	
PAYSON AZ 85547		2025 N 3RD STREET	501 C (3)			CHARITABLE PROGRAM	
KITCHEN ON THE STREET		350 W THOMAS	501 C (3)			CHARITABLE PROGRAM	
PHOENIX AZ 85032		4701 N CENTRAL	501 C (3)			CHARITABLE PROGRAM	
AMERICAN HEART ASSOC.		1715 YANKEE DOODLE ROAD	501 C (3)			CHARITABLE PROGRAM	5,000
TEMPE AZ 85282		300 LONGWOOD AVENUE	501 C (3)			CHARITABLE PROGRAM	
ARIZONA WOMENS BOARD KDNV		1510 E FLOWER STREET	501 C (3)			CHARITABLE PROGRAM	15,000
PARADISE VALLEY AZ 85253		16435 N SCOTTSDALE ROAD	501 C (3)			CHARITABLE PROGRAM	
ARIZONA STORM VBALL SCHOL		PO BOX 952	501 C (3)			CHARITABLE PROGRAM	
PHOENIX AZ 85085		110 W MERRELL STREET	501 C (3)			CHARITABLE PROGRAM	10,000
BANNER HEALTH FOUNDATION							
PHOENIX AZ 85004							
BARROW NEUROLOGICAL FOUND							
PHOENIX AZ 85013							
BROPHY COLLEGE PREPARATORY							
PHOENIX AZ 85012							
CARING BRIDGE							
EAGAN MN 55121							
CHILDRENS HOSPITAL BOSTON							
BOSTON MA 02115							
HOSPICE OF THE VALLEY							
PHOENIX AZ 85014							
MCDOWELL SONORAN CONSERV.							
SCOTTSDALE AZ 85254							
NYC DANCE ALLIANCE FOUND.							
NEW YORK NY 10024							
RYAN HOUSE							
PHOENIX AZ 85013							

Federal Statements

Statement 11 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the
Year (continued)

Name		Address		Status	Relationship	Purpose	Amount
Address							
UMOM NEW DAY CENTERS PHOENIX AZ 85008		3333 E VAN BUREN 501 C (3)				CHARITABLE PROGRAM	
VERDE VALLEY SANCTUARY SEDONA AZ 86339		PO BOX 595 501 C (3)				CHARITABLE PROGRAM	
FACES OF AUTISM SCOTTSDALE AZ 85254		7655 E GELDING DR ST A-3 501 C (3)				CHARITABLE PROGRAM	
GRACIE LEE MEMORIAL FUND PAYSON AZ 85547		308 E AERO DRIVE 501 C (3)				CHARITABLE PROGRAM	30,000
PAYSON SUPPLY LINE PAYSON AZ 85541		514 E TIMBER DRIVE 501 C (3)				CHARITABLE PROGRAM	10,000
SPECTRUM COLLEGE TRANS. SCOTTSDALE AZ 85254		7655 E GELDING DR STE A-3 501 C (3)				CHARITABLE PROGRAM	
ST VINCENT DE PAUL FOOD BANK PAYSON AZ 85541		511 S ST PHILLIPS 501 C (3)				CHARITABLE PROGRAM	15,000
TONTO RIM SEARCH & RESCUE STRAWBERRY AZ 85544		PO BOX 357 501 C (3)				CHARITABLE PROGRAM	40,000
ARIZONA ECUMENCIAL COUNCIL BLESSING PHOENIX AZ 85018		4340 E. INDIAN SCHOOL RD. 501 C (3)				CHARITABLE PROGRAM	5,000
THE BOARD OF VISITORS PHOENIX AZ 85016		6245 N 24TH PARKWAY 501 C (3)				CHARITABLE PROGRAM	10,000
THE UNIVERSITY OF ARIZONA FOUND. TUCSON AZ 85721-0109		PO BOX 210109 501 C (3)				CHARITABLE PROGRAM	5,000
AGRICULTURE EDUCATION FOUNDATION PAYSON AZ 85541		1007 N HILLCREST DRIVE 501 C (3)				CHARITABLE PROGRAM	10,000
WEST COAST EQUINE FOUNDATION RANCHO MURIETA CA 95683		7200 LONE PINE DRIVE 501 C (3)				CHARITABLE PROGRAM	5,000
Total							492,000

Federal Statements

Taxable Interest on Investments

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code	US Obs (\$ or %)
JACKRABBIT 72, LLC	\$ 83				
DEL RIO 246, LLC	159				
UBS PIMCO ACCOUNT OID	10,155				
UBS PIMCO ACCOUNT	63,231				
UBS PIMCO ACCOUNT ACC INT PD	-1,927				
UBS MAC ACCOUNT OID	2,248				
UBS MAC ACCOUNT	196,901				
UBS MAC ACCOUNT ACC INT PAID	-10,374				
Total	\$ 260,476				

Taxable Dividends from Securities

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code	US Obs (\$ or %)
UBS CASH ACCOUNT	\$ 9				
UBS INVESTMENT ACCOUNT	33,658				
UBS PIMCO ACCOUNT	90,845				
UBS MAC ACCOUNT	3,251				
UBS SCF HOLDINGS ACCOUNT	10				
Total	\$ 127,773				

Other Investment Income

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code
CRYOCELL	\$ 129,516	541900		
Total	\$ 129,516			