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

2011

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 THE ELIOT SPALDING FOUNDATION C/O JAMES SAKRISON		A Employer identification number 86-6050507
Number and street (or P.O. box number if mail is not delivered to street address) 4801 E. BROADWAY, SUITE 301	Room/suite	B Telephone number (520) 624-6691
City or town, state, and ZIP code TUCSON, AZ 85711		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 3,270,845.	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		16,820.	16,820.		STATEMENT 1
4 Dividends and interest from securities		88,141.	88,141.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		40,231.			
b Gross sales price for all assets on line 6a 674,866.					
7 Capital gain net income (from Part IV, line 2)			40,231.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income					
12 Total. Add lines 1 through 11		145,192.	145,192.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees RECEIVED STMT 3		39.	27.		12.
b Accounting fees STMT 4		2,850.	1,995.		855.
c Other professional fees STMT 5		29,848.	29,848.		0.
17 Interest					
18 Taxes OGDEN UT STMT 6		180.	180.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses					
24 Total operating and administrative expenses. Add lines 13 through 23		32,917.	32,050.		867.
25 Contributions, gifts, grants paid		147,500.			147,500.
26 Total expenses and disbursements. Add lines 24 and 25		180,417.	32,050.		148,367.
27 Subtract line 26 from line 12.					
a Excess of revenue over expenses and disbursements		-35,225.			
b Net investment income (if negative, enter -0-)			113,142.		
c Adjusted net income (if negative, enter -0-)				N/A	

THE ELIOT SPALDING FOUNDATION
C/O JAMES SAKRISON

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing				
	2	Savings and temporary cash investments		128,752.	40,856.	40,856.
	3	Accounts receivable ▶				
		Less: allowance for doubtful accounts ▶				
	4	Pledges receivable ▶				
		Less: allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons				
	7	Other notes and loans receivable ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments - U.S. and state government obligations STMT 8		805,685.	707,183.	761,847.
	b	Investments - corporate stock STMT 9		1,443,982.	1,493,049.	1,711,289.
	c	Investments - corporate bonds STMT 10		600,866.	702,935.	756,562.
11	Investments - land, buildings, and equipment basis ▶					
	Less: accumulated depreciation ▶					
12	Investments - mortgage loans					
13	Investments - other STMT 11		254.	291.	291.	
14	Land, buildings, and equipment: basis ▶					
	Less: accumulated depreciation ▶					
15	Other assets (describe ▶)					
16	Total assets (to be completed by all filers)		2,979,539.	2,944,314.	3,270,845.	
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable				
	22	Other liabilities (describe ▶)				
	23	Total liabilities (add lines 17 through 22)		0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31					
	27	Capital stock, trust principal, or current funds		3,010,288.	3,010,288.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.	
	29	Retained earnings, accumulated income, endowment, or other funds		-30,749.	-65,974.	
30	Total net assets or fund balances		2,979,539.	2,944,314.		
31	Total liabilities and net assets/fund balances		2,979,539.	2,944,314.		

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	2,979,539.
2	Enter amount from Part I, line 27a	2	-35,225.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	2,944,314.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	2,944,314.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a			
b SEE ATTACHED STATEMENTS			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e 674,866.		634,635.	40,231.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			
b			
c			
d			
e			40,231.

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	40,231.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	N/A

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	153,801.	3,203,866.	.048005
2009	171,914.	3,001,761.	.057271
2008	164,283.	3,398,311.	.048343
2007	152,169.	3,441,658.	.044214
2006	159,000.	3,251,417.	.048902

2 Total of line 1, column (d)	2	.246735
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	.049347
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	3,314,807.
5 Multiply line 4 by line 3	5	163,576.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,131.
7 Add lines 5 and 6	7	164,707.
8 Enter qualifying distributions from Part XII, line 4	8	148,367.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	2,263.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		2	0.
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		3	2,263.
3 Add lines 1 and 2		4	0.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		5	2,263.
5 Tax based on investment income Subtract line 4 from line 3. If zero or less, enter -0-			
6 Credits/Payments:			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	1,850.	
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	1,850.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	11.	
9 Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed	9	424.	
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	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
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ 0. (2) On foundation managers \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
4b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) 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

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address ► N/A				
14	The books are in care of ► CLIFTONLARSONALLEN LLP Telephone no. ► 520-790-3500			
Located at ► 335 N. WILMOT, SUITE 300, TUCSON, AZ		ZIP+4 ► 85711		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	15	N/A	
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►				X

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

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

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

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

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

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

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

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

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

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

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

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? ☐ 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**

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 12		0.	0.	0.

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

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NOT APPLICABLE	0.00	0.	0.	0.

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. If none, enter "NONE."

[illegible]

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	NOT APPLICABLE	
2		0.
3		
4		

Part IX-B

Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

Amount

1 NOT APPLICABLE		0.
2		0.
All other program-related investments. See instructions.		
3		
Total. Add lines 1 through 3		0.

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Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	3,259,445.
b	Average of monthly cash balances	1b	105,841.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	3,365,286.
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	3,365,286.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	50,479.
5	Net value of noncharitable-use assets Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,314,807.
6	Minimum investment return. Enter 5% of line 5	6	165,740.

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	165,740.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	2,263.
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	2,263.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	163,477.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	163,477.
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	163,477.

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	148,367.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	148,367.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions Subtract line 5 from line 4	6	148,367.

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				163,477.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			147,287.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4: ► \$ 148,367.				
a Applied to 2010, but not more than line 2a			147,287.	
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				1,080.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				162,397.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9.				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

Form 990-PF (2011)

C/O JAMES SAKRISON

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

N/A

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

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(1)(3) or ☐ 4942(1)(5)

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

b 85% of line 2a

- c** Qualifying distributions from Part XII,
line 4 for each year listed

- d** Amounts included in line 2c not used directly for active conduct of exempt activities

- e Qualifying distributions made directly for active conduct of exempt activities.

Subtract line 2d from line 2c

- 3 Complete 3a, b, or c for the alternative test relied upon:

- a "Assets" alternative test - enter:
(1) Value of all assets

- (2) Value of assets qualifying under section 4942(j)(3)(B)(i)

- b** "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed

- c "Support" alternative test - enter:**

- (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)

- (2) Support from general public and 5 or more exempt organizations as provided in section 4942(i)(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).)

CLAYTON E. NILES

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

NONE

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

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

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

SEE STATEMENT 13

- 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:

THE ELIOT SPALDING FOUNDATION

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C/O JAMES SAKRISON

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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				
ANGEL CHARITY FOR CHILDREN, INC P. O. BOX 14225 TUCSON, AZ 85732	NONE	501(C)(3) PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	10,000.
BOYS & GIRLS CLUB OF TUCSON P. O. BOX 40217 TUCSON, AZ 85717	NONE	501(C)(3) PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	6,000.
CHILDSPLAY TUCSON SCHOOL TOURING PROGRAM 408 S. SIXTH AVENUE TUCSON, AZ 85701	NONE	501(C)(3) PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	5,000.
DOLLARS FOR SCHOLARS 33 OCHOA TUCSON, AZ 857020391	NONE	501(C)(3) PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	4,000.
INTERFAITH COMMUNITY SERVICES 2820 W. INA ROAD TUCSON, AZ 85741	NONE	501(C)(3) PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	3,000.
Total SEE CONTINUATION SHEET(S) ▶ 3a				147,500.
b Approved for future payment				
NONE				
Total ▶ 3b				0.

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THE ELIOT SPALDING FOUNDATION
C/O JAMES SAKRISON

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Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
INTERMOUNTAIN CENTERS FOR HUMAN DEVELOPMENT P. O. BOX 17749 TUCSON, AZ 857317749	NONE	501(C)(3) PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	2,500.
LIBRARIES LIMITED 1030 E. BASELINE RD, SUITE 105-1025 TEMPE, AZ 85283	NONE	501(C)(3) PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	5,000.
MAKE WAY FOR BOOKS 3180 NORTH SWAN ROAD, SUITE 100 TUCSON, AZ 85712	NONE	501(C)(3) PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	6,500.
ONE-ON-ONE PARTNERS 2536 EAST 6TH STREET, SUITE 100 TUCSON, AZ 85716	NONE	501(C)(3) PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	2,500.
REACH OUT & READ OF SOUTHERN ARIZONA P. O. BOX 40925 TUCSON, AZ 85717	NONE	501(C)(3) PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	1,000.
RED MOUNTAIN MONTESSORI ACADEMY 6426 E MCDOWELL RD MESA, AZ 85215	NONE	501(C)(3) PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	7,000.
TU NIDITO 3922 N. MOUNTAIN AVE. TUCSON, AZ 85719	NONE	501(C)(3) PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	3,000.
TUCSON COMMUNITY FOOD BANK 3003 S. COUNTRY CLUB RD #221 TUCSON, AZ 85713	NONE	501(C)(3) PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	5,000.
UNITED WAY OF TUCSON & SOUTHERN AZ 330 N. COMMERCE PARK LOOP, SUITE 200 TUCSON, AZ 85745	NONE	501(C)(3) PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	62,000.
YMCA OF METROPOLITAN TUCSON 60 W. ALAMEDA TUCSON, AZ 85701	NONE	501(C)(3) PUBLIC CHARITY	GENERAL CHARITABLE PURPOSES	10,000.
Total from continuation sheets				119,500.

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3 Grants and Contributions Paid During the Year (Continuation)

Total from continuation sheets

Enter gross amounts unless otherwise indicated.

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

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)

NOT APPLICABLE

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?

(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.

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.

**Sign
Here**

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

Signature of officer or trustee

Date _____

Title

May the IRS discuss this return with the preparer shown below (see instr. 1)?

☒ Yes ☐ No

**Paid
Preparer
Use Only**

Print/Type preparer's name

DONNA BYERS,
CPA/PFS

Preparer's signature

DONNA BYERS, CPA/

Date

04/30/12

Check ☐ if
self-employed

PTIN

P00002783

Firm's name ► CLIFTONLARSONALLEN LLP

Firm's EIN ▶	41-0746749
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Firm's address ► 335 N. WILMOT ROAD, SUITE 300
TUCSON, AZ 85711

Phone no (520) 790-3500

Form **990-PF** (2011)

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	150 SHS NIKE INC CL B	P	02/15/11	04/07/11
b	200 SHS MEADWESTVACO CORP	P	02/15/11	06/07/11
c	75 SHS DOW CHEMICAL CO	P	02/15/11	06/07/11
d	475 SHS BMC SOFTWARE INC	P	02/15/11	12/06/11
e	325 SHS DOW CHEMICAL CO	P	02/15/11	12/06/11
f	375 SHS DOW CHEMICAL CO	P	03/01/11	12/06/11
g	600 SHS PG&E CORP COM	P	06/07/11	12/06/11
h	50 SHS PG&E CORP COM	P	09/09/11	12/06/11
i	50 SHS WAL MART STORES INC	P	09/09/11	12/06/11
j	100 SHS WAL MART STORES INC	P	06/07/11	12/06/11
k	350 SHS T ROWE PRICE GROUP INC	P	06/07/11	12/06/11
l	575 SHS NEXTERA ENERGY INC	P	12/22/10	02/15/11
m	1050 SHS SEALED AIR CORP COM	P	06/04/10	02/15/11
n	50 SHS INTERNATIONAL FLAVORS & FRAGRANCES	P	06/04/10	02/15/11
o	500 SHS INTERNATIONAL FLAVORS & FRAGRANCES	P	06/04/10	03/01/11

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 11,734.		12,766.	-1,032.
b 6,446.		6,055.	391.
c 2,635.		2,860.	-225.
d 16,672.		23,949.	-7,277.
e 9,077.		12,392.	-3,315.
f 10,474.		14,018.	-3,544.
g 23,238.		25,422.	-2,184.
h 1,936.		2,024.	-88.
i 2,932.		2,570.	362.
j 5,864.		5,397.	467.
k 20,188.		20,514.	-326.
l 31,466.		29,447.	2,019.
m 30,035.		21,231.	8,804.
n 2,796.		2,170.	626.
o 28,433.		21,705.	6,728.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			-1,032.
b			391.
c			-225.
d			-7,277.
e			-3,315.
f			-3,544.
g			-2,184.
h			-88.
i			362.
j			467.
k			-326.
l			2,019.
m			8,804.
n			626.
o			6,728.

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

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	50 SHS L-3 COMMUNICTIONS CORP COM	P	06/04/10	03/24/11
b	250 SHS NIKE INC CL B	P	12/10/10	04/07/11
c	100 SHS APACHE CORPORATION COM	P	06/07/06	02/15/11
d	500 SHS DOLBY LABORATORIES INC	P	10/06/09	02/15/11
e	200000 SHS FED FARM CREDIT BK 4.875% 2/18/11	P	03/20/06	02/18/11
f	350 SHS L-3 COMMUNICATIONS CORP COM	P	03/08/10	03/24/11
g	25 SHS APACHE CORPORATION COM	P	09/12/06	06/07/11
h	50 SHS APACHE CORPORATION COM	P	06/07/06	06/07/11
i	75 SHS UNION PACIFIC CORP	P	06/11/09	06/07/11
j	600 SHS PNC FINANCIAL SERVICES GROUP	P	06/04/10	06/07/11
k	100 SHS THERMO FISHER SCIENTIFIC INC	P	03/14/08	06/07/11
l	50 SHS MCDONALDS CORP	P	01/19/06	09/09/11
m	50 SHS CVS/CAREMARK CORPORATION	P	08/14/03	09/09/11
n	100 SHS CVS/CAREMARK CORPORATION	P	06/09/08	09/09/11
o	325 SHS HEWLETT PACKARD CO	P	09/07/10	09/09/11

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 3,977.		4,071.	-94.
b 19,556.		21,945.	-2,389.
c 11,978.		6,201.	5,777.
d 25,905.		18,896.	7,009.
e 200,000.		199,541.	459.
f 27,842.		32,361.	-4,519.
g 2,973.		1,564.	1,409.
h 5,945.		3,101.	2,844.
i 7,530.		4,027.	3,503.
j 35,681.		35,537.	144.
k 6,257.		5,275.	982.
l 4,193.		1,768.	2,425.
m 1,815.		773.	1,042.
n 3,630.		4,255.	-625.
o 7,338.		13,029.	-5,691.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			-94.
b			-2,389.
c			5,777.
d			7,009.
e			459.
f			-4,519.
g			1,409.
h			2,844.
i			3,503.
j			144.
k			982.
l			2,425.
m			1,042.
n			-625.
o			-5,691.

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

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	75 SHS APACHE CORPORATION COM	P	09/12/06	09/09/11
b	50 SHS APACHE CORPORATION COM	P	12/10/07	09/09/11
c	300 SHS CVS/CAREMARK CORPORATION	P	12/04/09	09/09/11
d	20 SHS APPLE COMPUTER INC COM	P	09/04/08	09/09/11
e	25 SHS DEERE & CO	P	09/04/08	12/06/11
f	375 SHS MEDCO HEALTH SOLUTIONS	P	09/07/10	12/06/11
g	600 SHS WAL MART STORES INC	P	09/07/10	12/06/11
h	75 SHS MCDONALDS CORP	P	01/19/06	12/06/11
i	100 SHS CONOCOPHILLIPS	P	03/08/10	12/06/11
j	CAPITAL GAINS DIVIDENDS			
k				
l				
m				
n				
o				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 7,165.		4,691.	2,474.
b 4,776.		5,009.	-233.
c 10,890.		9,223.	1,667.
d 7,550.		3,316.	4,234.
e 1,956.		1,634.	322.
f 21,549.		16,878.	4,671.
g 35,184.		31,296.	3,888.
h 7,178.		2,651.	4,527.
i 7,292.		5,073.	2,219.
j 2,780.			2,780.
k			
l			
m			
n			
o			

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			2,474.
b			-233.
c			1,667.
d			4,234.
e			322.
f			4,671.
g			3,888.
h			4,527.
i			2,219.
j			2,780.
k			
l			
m			
n			
o			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2	40,231.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8 }	3	N/A

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

SOURCE	AMOUNT
FED FARM CREDIT BK 4.875%	4,875.
FED FARM CREDIT BK 5.200%	10,400.
FED HOME LN BK 3.370%	1,685.
FED HOME LN BK 3.370% - ACCRUED INTEREST	-140.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	16,820.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
ABBOTT LABS	1,316.	0.	1,316.
AFLAC INC	984.	0.	984.
AMERICAN EXPRESS CO	702.	0.	702.
AMERIPRISE FINL INC	115.	0.	115.
AMGEN INC	252.	0.	252.
APACHE CORP	94.	0.	94.
ARTISAN FDS INC INTL FD #661	1,012.	0.	1,012.
BANK OF AMERICA CORP 5.375%	5,375.	0.	5,375.
CAPITAL ONE FINANCIAL CORP	45.	0.	45.
CARDINAL HEALTH INC COM	574.	0.	574.
CENTURYLINK, INC	1,994.	0.	1,994.
CHEVRON CORP	1,236.	0.	1,236.
CISCO SYSTEMS INC	252.	0.	252.
COCA COLA CO	1,069.	0.	1,069.
CONOCOPHILLIPS	1,716.	0.	1,716.
CONSOLIDATED EDISON 5.625%	5,625.	0.	5,625.
CVS CORP	169.	0.	169.
DANAHER CORP	30.	0.	30.
DEERE & CO	456.	0.	456.
DOW CHEMICAL CO	466.	0.	466.
EXXON MOBIL CORPORATION	925.	0.	925.
FED HOME LN MTG CORP 5.000	7,500.	0.	7,500.
FED HOME LN MTG CORP 5.125	5,125.	0.	5,125.
FED NATL MTG ASSN 4.375%	6,563.	0.	6,563.
FIDELITY INST US GOVT FD 057	16.	0.	16.
GENERAL DYNAMICS CORP 5.375%	5,375.	0.	5,375.
GENERAL ELECTRIC CO	270.	0.	270.
GENERAL ELECTRIC CO 5.250%	5,250.	0.	5,250.
HEWLETT PACKARD CO	65.	0.	65.
HOME DEPOT INC	923.	0.	923.
HONEYWELL INTERNATIONAL INC	332.	0.	332.
INTERNATIONAL BUSINESS MACHS CORP	580.	0.	580.

INTERNATIONAL FLAVORS & FRAGRANCES	149.	0.	149.
JOHNSON & JOHNSON	1,181.	0.	1,181.
JP MORGAN CHASE & CO	640.	0.	640.
KRAFT FOODS INC	1,450.	0.	1,450.
L-3 COMMUNICATIONS CORP COM	180.	0.	180.
MCDONALDS CORP	1,103.	0.	1,103.
MCKESSON CORP	116.	0.	116.
MEADWESTVACO CORP	650.	0.	650.
MICROSOFT CORP	748.	0.	748.
MORGAN STANLEY 5.625%	5,625.	0.	5,625.
MORGAN STANLEY 5.625% - ACCRUED INTEREST	-2,609.	0.	-2,609.
NIKE INC CL B	124.	0.	124.
OCCIDENTAL PETE CORP	704.	0.	704.
ORACLE CORP 5.250%	5,250.	0.	5,250.
ORACLE CORPORATION	322.	0.	322.
PG&E CORP COM	569.	0.	569.
PNC FINANCIAL SERVICES GROUP	270.	0.	270.
PROCTER & GAMBLE CO	1,343.	0.	1,343.
PUBLIC SVC ENTERPRISE GROUP INC	291.	0.	291.
ROYCE PENNSYLVANIA MUT FD-INV #260	2,922.	2,780.	142.
SPDR S&P MIDCAP 400 ETF TRUST	942.	0.	942.
T ROWE PRICE GROUP INC	217.	0.	217.
TARGET CORP	705.	0.	705.
TARGET CORP 5.375%	5,375.	0.	5,375.
TEXAS INSTRUMENTS INC	672.	0.	672.
THORNBURG INTL VALUE FUND-CL I #209	1,305.	0.	1,305.
TRAVELERS COMPANIES, INC.	1,033.	0.	1,033.
UNION PACIFIC CORP	777.	0.	777.
UNITED TECHNOLOGIES CORP	932.	0.	932.
UNUM GROUP	454.	0.	454.
WAL MART STORES INC	875.	0.	875.
WALT DISNEY CO	200.	0.	200.
TOTAL TO FM 990-PF, PART I, LN 4	90,921.	2,780.	88,141.

FORM 990-PF	LEGAL FEES			STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
LEGAL FEES	39.	27.		12.	
TO FM 990-PF, PG 1, LN 16A	39.	27.		12.	

FORM 990-PF	ACCOUNTING FEES			STATEMENT 4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	2,850.	1,995.		855.
TO FORM 990-PF, PG 1, LN 16B	2,850.	1,995.		855.

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
WELLS FARGO BANK AGENCY ACCT FEES	29,848.	29,848.		0.
TO FORM 990-PF, PG 1, LN 16C	29,848.	29,848.		0.

FORM 990-PF	TAXES			STATEMENT 6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES ON INVESTMENT INCOME	180.	180.		0.
TO FORM 990-PF, PG 1, LN 18	180.	180.		0.

FOOTNOTES			STATEMENT 7
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PART XV-1A SUBSTANTIAL CONTRIBUTOR

DURING 2007, THE FOLLOWING INDIVIDUAL BECAME A SUBSTANTIAL CONTRIBUTOR TO THE FOUNDATION BY DONATING SHARES OF STOCK IN A CLOSELY-HELD CORPORATION NAMED CACTUS PROPERTIES, INC.

CLAYTON E. NILES, A DIRECTOR OF THE FOUNDATION
3567 E. SUNRISE DRIVE, #225
TUCSON, AZ 85718

ADDITIONAL DONATIONS IN FOLLOWING YEARS INCLUDE:

2008
2010

5,000.
10,000.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	8
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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
FED FARM CREDIT BK, 4.875%, DUE 02/18/11	X		0.	0.
FED FARM CREDIT BK, 5.200%, DUE 03/20/13	X		198,138.	211,850.
FED HOME LN MTG CORP, 5.000%, DUE 07/15/14	X		153,664.	166,589.
FED HOME LN BK, 3.370%, DUE 02/23/18	X		101,039.	111,212.
FED HOME LN MTG CORP, 5.125%, DUE 07/15/12	X		100,141.	102,698.
FED NATL MTG ASSN, 4.375%, DUE 10/15/15	X		154,201.	169,498.
TOTAL U.S. GOVERNMENT OBLIGATIONS			707,183.	761,847.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			707,183.	761,847.

FORM 990-PF	CORPORATE STOCK	STATEMENT	9
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
ABBOTT LABS, 700 SHS	25,430.	39,361.
AFLAC INC, 800 SHS	36,352.	34,608.
AMEGEN INC, 450 SHS	25,522.	28,894.
AMERICAN EXPRESS CO 975 SHS	41,270.	45,991.
AMERIPRISE FINL INC, 500 SHS	20,840.	24,820.
APACHE CORP 300 SHS	0.	0.
APPLE INC, 130 SHS	21,553.	52,650.
ARTISAN FDS INC INTL FD, 3582.624 SHS	80,000.	71,043.
CAPITAL ONE FINANCIAL CORP, 500 SHS	24,519.	21,145.
CARDINAL HEALTH INC COM, 700 SHS	24,100.	28,427.
CENTURYLINK INC, 7750 SHS	26,202.	28,830.
CHEVRON CORP, 400 SHS	27,448.	42,560.
CISCO SYSTEMS INC, 1400 SHS	41,687.	25,312.
COCA COLA CO, 575 SHS	37,345.	40,233.
CONOCOPHILLIPS, 550 SHS	27,813.	40,079.
COSTCO WHOLESALE CORP, 575 SHS	50,450.	47,909.
CVS CORP, 450 SHS	0.	0.
DANAHER CORP, 350 SHS	16,023.	16,464.
DEERE & CO, 275 SHS	13,476.	21,271.
DOLBY LABORATORIES INC, 500 SHS	0.	0.

EXXON MOBIL CORP, 500 SHS	17,072.	42,380.
FORD MOTOR COMPANY, 2000 SHS	31,468.	21,520.
GENERAL ELECTRIC CO, 1000 SHS	18,866.	17,910.
HEWLETT PACKARD CO, 325 SHS	0.	0.
HOME DEPOT INC, 900 SHS	28,984.	37,836.
HONEYWELL INTERNATIONAL INC, 400 SHS	21,429.	21,740.
INTERCONTINENTALEXCHANGE INC, 175 SHS	21,516.	21,096.
INTERNATIONAL BUSINESS MACHS CORP, 200 SHS	25,337.	36,776.
INTERNATIONAL FLAVORS & FRAGRANCES, 550 SHS	0.	0.
JOHNSON & JOHNSON, 525 SHS	31,238.	34,430.
JP MORGAN CHASE & CO, 800 SHS	30,440.	26,600.
KRAFT FOODS INC, 1300 SHS	39,627.	48,568.
L-3 COMMUNICATIONS CORP COM, 400 SHS	0.	0.
MCDONALDS CORP, 325 SHS	13,898.	32,607.
MCKESSON CORP, 200 SHS	15,828.	15,582.
MEDCO HEALTH SOLUTIONS INC, 375 SHS	0.	0.
MICROSOFT CORP, 1100 SHS	29,709.	28,556.
MIDCAP SPDR, 550 SHS	0.	0.
MEADWESTVACO CORP, 1450 SHS	43,060.	43,427.
NEXTRA ENERGY, 575 SHS	0.	0.
NIKE INC, 250 SHS	0.	0.
OCCIDENTAL PETE CORP, 475 SHS	37,591.	44,508.
ORACLE CORP, 1400 SHS	9,551.	35,910.
PNC FINANCIAL SERVICES GROUP, 600 SHS	0.	0.
PUBLIC SVC ENTERPRISE GROUP INC, 850 SHS	27,854.	28,058.
PROCTER & GAMBLE CO 700 SHS	40,530.	46,697.
QUALCOMM INC	15,042.	15,043.
ROYCE PENNSYLVANIA MUTUAL FUND, 7320.248 SHS	80,000.	78,766.
SEALED AIR CORP COM, 1050 SHS	0.	0.
SPDR S&P MIDCAP 400 ETF TRUST, 550 SHS	78,517.	87,720.
TARGET CORP, 675 SHS	19,582.	34,574.
TEXAS INSTRUMENTS, 1200 SHARES	39,074.	34,932.
THERMO FISHER SCIENTIFIC INC, 500 SHS	26,375.	22,485.
THORNBURG INT'L VALUE FUND-CLASS I #209, 2927.234 SHS	78,419.	71,951.
TRAVELERS COMPANIES, 650 SHS	29,653.	38,460.
UNITEDHEALTH GROUP INC, 600 SHS	29,022.	30,408.
UNION PACIFIC CORP, 400 SHS	22,795.	42,376.
UNITED TECHNOLOGIES, 500 SHS	24,759.	36,545.
UNUM GROUP, 1150 SHS	25,783.	24,231.
WAL MART STORES INC, 600 SHS	0.	0.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,493,049.	1,711,289.

FORM 990-PF	CORPORATE BONDS	STATEMENT 10
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
BANK OF AMERICA CORP, 5.375% 06/15/14	98,431.	99,534.
CONSOLIDATED EDISON CO, 5.625%, DUE 07/01/12	102,190.	102,337.
GENERAL DYNAMICS CORP, 5.375%, DUE 08/15/15	98,746.	114,309.
GENERAL ELECTRIC CO 5.250%, DUE 12/06/17	98,349.	114,776.
MORGAN STANLEY 5.625%, DUE 9/23/19	102,069.	92,608.
ORACLE CORP, 5.250% 01/15/16	101,456.	115,470.
TARGET CORP 5.375%, DUE 05/01/19	101,694.	117,528.
TOTAL TO FORM 990-PF, PART II, LINE 10C	702,935.	756,562.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT 11
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
INTEREST AND DIVIDENDS RECEIVABLE	COST	291.	291.
TOTAL TO FORM 990-PF, PART II, LINE 13		291.	291.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS STATEMENT 12
 TRUSTEES AND FOUNDATION MANAGERS

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
CLAYTON N. NILES 3567 E. SUNRISE DR., #225, TUCSON, AZ 85718	PRESIDENT/DIR 0.50	0.	0.	0.
JAMES M. SAKRISON 4801 E. BROADWAY, SUITE 301 TUCSON, AZ 85711	SECRETARY/DIR 5.00	0.	0.	0.
TERRY GODDARD 503 WEST PORTLAND PHOENIX, AZ 85003	VICE PRESIDENT/DIR 0.00	0.	0.	0.
CLAYTON E. NILES 3567 E. SUNRISE DR., #225 TUCSON, AZ 85718	TREASURER 1.00	0.	0.	0.
ROBERT HARBOUR 1985 E. RIVER ROAD, SUITE 201 TUCSON, AZ 85718	DIRECTOR 0.00	0.	0.	0.
HOLLY CLARK 4959 ROCK CANYON ROAD TUCSON, AZ 85750	DIRECTOR 0.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

FORM 990-PF

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

STATEMENT 13

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

MR. JAMES M. SAKRISON
4801 E. BROADWAY, SUITE 301
TUCSON, AZ 85711

TELEPHONE NUMBER

(520)624-6691

FORM AND CONTENT OF APPLICATIONS

REQUESTS FOR CONSIDERATION SHOULD BE IN A TYPEWRITTEN FORMAT WITH EVIDENCE OF TAX-EXEMPT STATUS, AS WELL AS INDICATING THE CHARITABLE PURPOSE THE FUNDING WILL SERVE.

ANY SUBMISSION DEADLINES

REQUESTS FOR CONTRIBUTIONS SHOULD BE RECEIVED NO LATER THAN NOVEMBER 1 OF THE YEAR THEY ARE TO BE DISTRIBUTED.

RESTRICTIONS AND LIMITATIONS ON AWARDS

NOT APPLICABLE.