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Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2011

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

Name of foundation: DOUGLAS FOUNDATION

A Employer identification number: 95-6096827

Number and street (or P O box number if mail is not delivered to street address): 141 EL CAMINO DRIVE — Room/suite: 209

B Telephone number: 310-274-5294

City or town, state, and ZIP code: BEVERLY HILLS, CA 90212

C If exemption application is pending, check here ▶ ☐

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

D 1. Foreign organizations, check here ▶ ☐

2 Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

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

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 21,830,093.

J Accounting method: [X] Cash ☐ Accrual ☐ 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 ▶ ☐

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received	1,020.		N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	63.	63.		STATEMENT 1
	4 Dividends and interest from securities	748,106.	748,106.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	441,839.			
	b Gross sales price for all assets on line 6a 895,479.				
	7 Capital gain net income (from Part IV, line 2)		441,839.		
	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	1,191,028.	1,190,008.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	115,000.	0.		115,000.
	14 Other employee salaries and wages	52,000.	5,200.		46,800.
	15 Pension plans, employee benefits				
	16a Legal fees STMT 3	2,699.	270.		2,429.
	b Accounting fees				
	c Other professional fees STMT 4	63,806.	61,956.		1,850.
	17 Interest				
	18 Taxes STMT 5	40,488.	11,094.		11,995.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications	50.	0.		50.
	23 Other expenses STMT 6	1,282.	128.		1,154.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	275,325.	78,648.		179,278.
	25 Contributions, gifts, grants paid	1,145,160.			1,145,160.
	26 **Total expenses and disbursements.** Add lines 24 and 25	1,420,485.	78,648.		1,324,438.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-229,457.			
	b **Net investment income** (if negative, enter -0-)		1,111,360.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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15350808 795650 FOUNDATION 2011.04000 DOUGLAS FOUNDATION FOUNDAT2

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	18,328.	42,212.	42,212.
	2 Savings and temporary cash investments	61,076.	67,551.	67,551.
	3 Accounts receivable ▶ 900.			
	Less: allowance for doubtful accounts ▶		900.	900.
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 7	3,437,824.	3,177,108.	21,719,430.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	3,517,228.	3,287,771.	21,830,093.
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 ▶ ☐ 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 ▶ [X] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	3,517,228.	3,287,771.	
	30 **Total net assets or fund balances**	3,517,228.	3,287,771.	
	31 **Total liabilities and net assets/fund balances**	3,517,228.	3,287,771.	

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	3,517,228.
2	Enter amount from Part I, line 27a	2	-229,457.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	3,287,771.
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	3,287,771.

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 STATEMENT			
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	895,479.		453,640.	441,839.

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

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				
b				
c				
d				
e				441,839.

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 } 2 441,839.

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	1,084,118.	17,760,391.	.061041
2009	1,372,764.	16,218,468.	.084642
2008	2,702,036.	21,373,656.	.126419
2007	2,238,475.	24,584,261.	.091053
2006	1,575,783.	22,329,940.	.070568

2	**Total** of line 1, column (d)	2	.433723
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	.086745
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	20,404,362.
5	Multiply line 4 by line 3	5	1,769,976.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	11,114.
7	Add lines 5 and 6	7	1,781,090.
8	Enter qualifying distributions from Part XII, line 4	8	1,324,438.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b		1	22,227.
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	22,227.
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	22,227.
6	Credits/Payments:			
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a 13,758.		
b	Exempt foreign organizations - tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c 20,000.		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d		7	33,758.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☒ if Form 2220 is attached		8	5.
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶		9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶		10	11,526.
11	Enter the amount of line 10 to be: **Credited to 2012 estimated tax** ▶ 11,526. **Refunded** ▶		11	0.

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? *If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*	1b		X
c	Did the foundation file **Form 1120-POL** for this year?	1c		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.*	2		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*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		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?	6	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*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ CA			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	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*	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		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?	13	X	

Website address ▶ DOUGLASFOUNDATION.ORG

14 The books are in care of ▶ THE BRYNA COMPANY Telephone no. ▶310-274-5294

Located at ▶141 EL CAMINO DRIVE, SUITE 209, BEVERLY HILLS, CA ZIP+4 ▶90212

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

			Yes	No
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? 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		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)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c		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? ☐ Yes ☒ 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? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2011 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969; **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.)* N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b		X

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

5a During the year did the foundation pay or incur any amount to:			
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No			
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No			
(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No			
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? ☐ Yes ☒ No			
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No			
b If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? N/A	5b		
Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No			
If "Yes," attach the statement required by Regulations section 53.4945-5(d).			
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No			
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	6b		X
If "Yes" to 6b, file Form 8870			
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No			
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? N/A	7b		

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 8		115,000.	0.	0.

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

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

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

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."

(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 ▶		0

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

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:			
a	Average monthly fair market value of securities		1a	20,542,158.
b	Average of monthly cash balances		1b	172,930.
c	Fair market value of all other assets		1c	
d	**Total** (add lines 1a, b, and c)		1d	20,715,088.
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	20,715,088.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	310,726.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	20,404,362.
6	**Minimum investment return.** Enter 5% of line 5		6	1,020,218.

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	1,020,218.
2a	Tax on investment income for 2011 from Part VI, line 5	2a 22,227.		
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	22,227.
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	997,991.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	997,991.
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	997,991.

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	1,324,438.
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	1,324,438.
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	1,324,438.

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				997,991.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			0.	
b Total for prior years: _____ , _____ , _____		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006 488,224.				
b From 2007 1,057,218.				
c From 2008 1,668,607.				
d From 2009 581,861.				
e From 2010 209,856.				
f **Total** of lines 3a through e	4,005,766.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ $ 1,324,438.				
a Applied to 2010, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2011 distributable amount				997,991.
e Remaining amount distributed out of corpus	326,447.			
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	4,332,213.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	488,224.			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	3,843,989.			
10 Analysis of line 9:				
a Excess from 2007 1,057,218.				
b Excess from 2008 1,668,607.				
c Excess from 2009 581,861.				
d Excess from 2010 209,856.				
e Excess from 2011 326,447.				

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

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

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

	Tax year	Prior 3 years			
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	(e) Total
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(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).)

SEE STATEMENT 9

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

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

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
SEE SCHEDULE D			501(C)(3) ORGANIZATIONS	1,145,160.
Total			▶ 3a	1,145,160.
b *Approved for future payment*				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	63.	
4 Dividends and interest from securities			14	748,106.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	441,839.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		1,190,008.	0.
13 Total Add line 12, columns (b), (d), and (e)					13 1,190,008.

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).

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

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

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

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

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

b If "Yes," complete the following schedule.

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

Sign Here

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

▶X [signature] 9/17/12 ▶ Trustee

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN

Firm's name ▶ | Firm's EIN ▶

Firm's address ▶ | Phone no.

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	11,500 CITIGROUP INC	P	10/19/95	02/24/11
b	2,000 EXXON MOBIL CORP	P	06/04/91	02/24/11
c	4,400 INTEL CORP	P	10/24/95	02/24/11
d	1,000 MERCK & CO	P	04/11/88	12/15/11
e	2,500 PEPSICO INC	P	11/28/90	07/20/11
f	2,000 PEPSICO INC	P	11/28/90	11/09/11
g	1,000 PEPSICO INC	P	11/28/90	12/15/11
h	3,000 SYSCO CORP	P	12/16/04	02/24/11
i	1,500 WAL-MART STORES	P	03/06/92	11/09/11
j	MARSH & MCLENNAN SECURITIES LITIGATION	P		
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	53,579.		147,521.	-93,942.
b	171,793.		29,388.	142,405.
c	93,761.		92,525.	1,236.
d	36,071.		8,733.	27,338.
e	171,268.		19,777.	151,491.
f	125,932.		15,822.	110,110.
g	64,974.		7,911.	57,063.
h	83,128.		111,891.	-28,763.
i	87,376.		20,072.	67,304.
j	7,597.			7,597.
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				-93,942.
b				142,405.
c				1,236.
d				27,338.
e				151,491.
f				110,110.
g				57,063.
h				-28,763.
i				67,304.
j				7,597.
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	441,839.
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

123591
05-01-11

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

SOURCE	AMOUNT
CITY NATIONAL BANK	46.
CNI CHARTER GOVT	7.
FIDELITY	10.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	63.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
FIDELITY	748,106.	0.	748,106.
TOTAL TO FM 990-PF, PART I, LN 4	748,106.	0.	748,106.

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	2,699.	270.		2,429.
TO FM 990-PF, PG 1, LN 16A	2,699.	270.		2,429.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT COUNSELING	61,708.	61,708.		0.
INVESTMENT EXPENSES	42.	42.		0.
WEBSITE	2,056.	206.		1,850.
TO FORM 990-PF, PG 1, LN 16C	63,806.	61,956.		1,850.

FORM 990-PF TAXES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL	13,233.	1,323.		11,910.
FOREIGN TAXES WITHHELD	9,771.	9,771.		0.
TAX ON INVESTMENT INCOME	17,399.	0.		0.
STATE CHARITY REGISTRATION FEE	75.	0.		75.
STATE FILING FEE	10.	0.		10.
TO FORM 990-PF, PG 1, LN 18	40,488.	11,094.		11,995.

FORM 990-PF OTHER EXPENSES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL PROCESSING FEES	1,282.	128.		1,154.
TO FORM 990-PF, PG 1, LN 23	1,282.	128.		1,154.

FORM 990-PF CORPORATE STOCK STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE SCHEDULE C	3,177,108.	21,719,430.
TOTAL TO FORM 990-PF, PART II, LINE 10B	3,177,108.	21,719,430.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 8

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
KIRK DOUGLAS 141 EL CAMINO DRIVE, SUITE 209 BEVERLY HILLS, CA 90212	TRUSTEE 2.00	0.	0.	0.
ANNE DOUGLAS 141 EL CAMINO DRIVE, SUITE 209 BEVERLY HILLS, CA 90212	TRUSTEE 2.00	0.	0.	0.
ANITA MAY ROSENSTEIN 335 NORTH MAPLE DRIVE, SUITE 366 BEVERLY HILLS, CA 90210	TRUSTEE 0.50	0.	0.	0.
PETER DOUGLAS 1946 EAST VALLEY ROAD SANTA BARBARA, CA 93108	TRUSTEE AND PRESIDENT 17.00	115,000.	0.	0.
FAYEZ SAROFIM TWO HOUSTON CENTER, SUITE 2907 HOUSTON, TX 77010	TRUSTEE 0.50	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		115,000.	0.	0.

FORM 990-PF PART XV - LINE 1A LIST OF FOUNDATION MANAGERS STATEMENT 9

NAME OF MANAGER

KIRK DOUGLAS
ANNE DOUGLAS

Douglas Foundation
Stock Portfolio Summary
December 31, 2011
Federal I.D. No. 95-6096827
Schedule C

Stock Portfolio	No. Of Shares	Total Cost Per Stock	Market Value
Abbott Laboratories	8,000	54,880	449,840
Altria Group Inc.	77,800	78,445	2,306,770
Chevron Corp	11,200	202,862	1,191,680
Coca Cola Co	36,250	98,872	2,536,413
ConocoPhillips	8,000	367,956	582,960
Exxon Mobil Corp	25,840	315,144	2,190,198
General Electric	15,000	49,923	268,650
Green Mountain Coffee Roasters	1,500	101,780	67,275
HSBC Holdings	4,250	262,917	161,925
Intel Corp	20,600	173,537	499,550
JPMorgan Chase & Co	4,000	140,920	133,000
Kellogg Company	3,200	37,362	161,824
Kraft Foods, Inc.	10,539	9,832	393,737
Merck & Co., Inc.	11,000	85,200	414,700
Nestle SA	12,000	72,000	692,976
Pepsico, Inc	9,300	73,572	617,055
Philip Morris Intl Inc	77,800	178,751	6,105,744
Procter & Gamble Co	18,560	86,293	1,238,138
Royal Dutch Petroleum Co. (New)	10,000	176,712	730,900
Time Warner Cable	1,500	91,143	95,355
Total SA	6,000	339,973	306,660
Wal-Mart Stores, Inc	8,500	111,715	507,960
Walgreen Co	2,000	67,320	66,120
Total		$ 3,177,108	$ 21,719,430

Douglas Foundation
Schedule of Charitable Contributions
December 31, 2011
Federal I.D. No. 95-6096827
Schedule D

American Cancer Society	1,000
American Film Institute Associates	2,000
American Friends of the Israel Philharmonics Orchestra	10,000
American Heart Association	1,000
American Institute for Public Service (Jefferson Award)	10,000
American Institute for Public Service	1,000
American Legacy Foundation	500
Anne Douglas Center	1,000
ASPCA	250
Association of Small Foundations	695
Barbara Sinatra's Children's Center	1,000
Beverly Hills Police Officers' Association	1,500
Beverly Hills Firemen's Association	1,500
Boys Republic	1,000
CAFAM	1,000
Camp Ronald McDonalds for Good Times	75
Carter Center	5,000
Cate School	10,000
Center Theater Group	100,000
Center Theater Group Challenge Grant	100,000
Chabad's Children of Chernobyl	25,000
Champlain Valley Physicians Hospital	250
Childrens Aid Association	500
CHP 11-99 Foundation	5,000
Congregation Beth Israel	5,000
Directors Guild Educational & Benevolent Foundaion	1,000
Doctors Without Borders	3,000
Elizabeth Glaser Pediatric AIDS Foundation	1,000
Exploring the Arts Gala	500
Friendly House	25,000
Friends of the Beverly Hills Public Library	1,000
Friends of the IDF	15,000
Genetics Policy Institute	16,050
Guidestar USA Inc.	1,000
Hawthorne PTA & Beverly Hills Eeducation Foundation	1,000
Hollywood Stuntmen's Hall of Fame	500
Hull House Uptown Head Start	3,000
KOCE/PBS So Cal	3,000
The L.A. Gay & Lesbian Center	1,000
LA Parks Foundation	500
L.A.'s Best	6,000
Laguna Blanca School	25,000
Laguna Blanca Jogathon	5,000

Douglas Foundation
Schedule of Charitable Contributions
December 31, 2011
Federal I.D. No. 95-6096827
Schedule D

Make A Wish Foundation	500
Marvin D Iannone Beverly Hills Police Foundation	30,000
Motion Picture & TV Fund/Harry's Haven Alzheimer Unit	100,000
Museum of Modern Art	240
Music Center Unified Fund Blue Ribbon	4,250
Page Youth Center	5,000
Palm Springs Art Museum - President's Circle	2,000
People for Ethical Treatment of Animals	500
Ronald Reagan Presidential Foundation	1,000
Santa Barbara Cottage Hospital	50,000
Santa Barbara International Film Festival	1,000
Santa Barbara Museum of Art	3,000
Santa Barbara Museum of Natural History	1,000
Sinai Temple	5,000
Sinai Temple Centennial Campaign	50,000
Special Olympics	1,000
St. Lawrence University	200,000
St. John's Health Center Foundation	25,000
St. John's Health Center Foundation (Homeless Community Services)	500
St. Peter's Hospital Annex Gift Shop	250
Tap, Inc.	1,000
Temple Israel - Albany, NY	3,000
Temple Israel - Albany, NY	1,000
The Heart Foundation	200,000
Town & Gown of USC	500
Tree People	1,000
University of Calif at Santa Barbara	10,000
University of Pennsylvania	25,000
Up Church	100
Venice Family Clinic	5,000
EIF's Women's Cancer Research	24,500
Young Musician Foundation	1,000
TOTAL CHARITABLE CONTRIBUTIONS	1,145,160

DECLARATION OF PUBLICATION

AUG 09 2012

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

DOUGLAS FOUNDATION
141 EL CAMINO DR
STE 209
BEVERLY HILLS CA 90212

AVAILABILITY OF ANNUAL RETURN
DOUGLAS FOUNDATION, THE

HEARING/CLOSE/SALE DATE 12/31/12

The undersigned says

I am over the age of 18 years and a citizen of the United States. I am not a party to and have no interest in this matter. I am a principal clerk of the LOS ANGELES BULLETIN*, a newspaper of general circulation in the City of Los Angeles, the Judicial District of Los Angeles, the County of Los Angeles, and the State of California, as adjudicated in Los Angeles Superior Court Case No. BS014387. The notice, a printed copy of which appears hereon, was published on the following date(s). Aug 8, 2012

I declare under penalty of perjury that the foregoing is true and correct. Executed at Los Angeles, California on 08/08/12.

signature

Los Angeles Bulletin
P.O. Box 60859
Los Angeles, Ca 90060

Phone (213) 346-0033
Fax (213) 687-3886

Cust Num 005792
Cust. Ref. Num. FDN 485

Control Num : 875105

NOTICE OF AVAILABILITY OF ANNUAL RETURN

Pursuant to Section 6104(d) of the Internal Revenue Code, notice is hereby given that the annual return for the year ending December 31, 2011 of THE DOUGLAS FOUNDATION, a private foundation, is available for public inspection by any interested citizen who requests it at the foundation's principal office located at 141 El Camino Drive, Beverly Hills, CA 90212, telephone (310) 274-5294, beginning on the date of this publication and for 180 days thereafter during normal business hours from 10 00 A M to 2 00 P M

The principal manager of the foundation is Anne Douglas

DOUGLAS FOUNDATION
141 EL CAMINO DR
STE 209
BEVERLY HILLS CA 90212

CN875105 FDN 485 Aug 8, 2012