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 7/01 **, 2011, and ending** 6/30 , 2012

THE LESTER AND ROBERTA SMITH FOUNDATION
5920 E PIMA #170
TUCSON, AZ 85712

A Employer identification number
86-0986636

B Telephone number (see the instructions)
520/886-5495

C If exemption application is pending, check here ► ☐

D 1 Foreign organizations, check here ► ☐

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

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

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

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

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

I Fair market value of all assets at end of year *(from Part II, column (c), line 16)* ► $ 2,601,880.

J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) ________ *(Part I, column (d) must be on cash basis)*

SCANNED FEB 06 2013

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

		(a) Revenue and expenses per books	**(b)** Net investment income	**(c)** Adjusted net income	**(d)** Disbursements for charitable purposes (cash basis only)
REVENUE					
1	Contributions, gifts, grants, etc, received (att sch)	2,439,349.			
2	Ck ► ☐ if the foundn is **not** req to att Sch B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	45,008.	45,008.	45,008.	
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain/(loss) from sale of assets not on line 10	69,648.			
b	Gross sales price for all assets on line 6a 1,012,916.				
7	Capital gain net income (from Part IV, line 2)		69,648.		
8	Net short-term capital gain			69,648.	
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit/(loss) (att sch)				
11	Other income (attach schedule)				
12	**Total.** Add lines 1 through 11	2,554,005.	114,656.	114,656.	
OPERATING AND ADMINISTRATIVE EXPENSES					
13	Compensation of officers, directors, trustees, etc	0.			
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule)				
b	Accounting fees (attach sch) SEE ST 1	552.	552.	6.	546.
c	Other prof fees (attach sch) SEE ST 2	18,075.	18,075.	181.	17,894.
17	Interest				
18	Taxes (attach schedule)(see instrs) SEE STM 3	900.	900.	9.	891.
19	Depreciation (attach sch) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) SEE STATEMENT 4	78.	1.	1.	78.
24	**Total operating and administrative expenses.** Add lines 13 through 23	19,605.	19,528.	197.	19,409.
25	Contributions, gifts, grants paid STMT 5	15,000.			15,000.
26	**Total expenses and disbursements.** Add lines 24 and 25	34,605.	19,528.	197.	34,409.
27	Subtract line 26 from line 12:				
a	**Excess of revenue over expenses and disbursements**	2,519,400.			
b	**Net investment income** (if negative, enter -0-)		95,128.		
c	**Adjusted net income** (if negative, enter -0-)			114,459.	

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BAA For Paperwork Reduction Act Notice, see instructions. TEEA0504L 12/05/11 Form **990-PF** (2011)

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Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1	Cash – non-interest-bearing	43,100.		
	2	Savings and temporary cash investments		212,621.	212,620.
	3	Accounts receivable ►			
		Less: allowance for doubtful accounts ►			
	4	Pledges receivable ►			
		Less allowance for doubtful accounts ►			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach sch) ►			
		Less. allowance for doubtful accounts ►			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments – U S and state government obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule)		1,218,985.	1,206,833.
	c	Investments – corporate bonds (attach schedule)		1,130,894.	1,182,427.
	11	Investments – land, buildings, and equipment: basis ►			
		Less· accumulated depreciation (attach schedule) ►			
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule)			
	14	Land, buildings, and equipment basis ►			
		Less: accumulated depreciation (attach schedule) ►			
	15	Other assets (describe ►)			
	16	**Total assets** (to be completed by all filers – see the instructions. Also, see page 1, item I)	43,100.	2,562,500.	2,601,880.
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ►)			
	23	**Total liabilities** (add lines 17 through 22)	0.	0.	
NET ASSETS OR FUND BALANCES		**Foundations that follow SFAS 117, check here ► ☒ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted	43,100.		
	25	Temporarily restricted			
	26	Permanently restricted		2,562,500.	
		Foundations that do not follow SFAS 117, check here ► ☐ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, building, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see instructions)	43,100.	2,562,500.	
	31	**Total liabilities and net assets/fund balances** (see instructions)	43,100.	2,562,500.	

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	43,100.
2	Enter amount from Part I, line 27a	2	2,519,400.
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	2,562,500.
5	Decreases not included in line 2 (itemize) ►	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	2,562,500.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a	SEE STATEMENT 6			
b				
c				
d				
e				

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

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

	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) — If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7	2	69,648.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8	3	69,648.

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2010		22,320.	
2009		2,367.	
2008		3,810.	
2007		5,133.	
2006		12,965.	

2	**Total** of line 1, column (d)	2	
3	Average distribution ratio for the 5-year base period – divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	2,037,661.
5	Multiply line 4 by line 3	5	
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	951.
7	Add lines 5 and 6	7	951.
8	Enter qualifying distributions from Part XII, line 4	8	49,409.

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)

1 a	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 instrs)				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► ☒ and enter 1% of Part I, line 27b			1	951.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (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	951.
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	951.
6	Credits/Payments:				
a	2011 estimated tax pmts and 2010 overpayment credited to 2011	6a	900.		
b	Exempt foreign organizations – tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	296.		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	1,196.
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	0.
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►			10	240.
11	Enter the amount of line 10 to be: **Credited to 2012 estimated tax** ►	240.	**Refunded** ►	11	0.

Part VII-A Statements Regarding Activities

			Yes	No
1 a	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 the instructions for definition)?	1b		X
	*If the answer is 'Yes' to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		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?	4b	N/A	
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, column (c), and Part XV*	7	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*	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* SEE STATEMENT 7	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 ► N/A

14 The books are in care of ► THOMAS W JONES Telephone no. ► 520/886-5495

Located at ► 5920 E PIMA, SUITE 170 TUCSON AZ ZIP + 4 ► 85712

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – Check here N/A ► ☐

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

			Yes	No
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If 'Yes,' enter the name of the foreign country ►			

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

			Yes	No
	File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.			
1 a	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)?	1 b	N/A	
	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?	1 c		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 ► 20__ , 20__ , 20__ , 20__			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer 'No' and attach statement – see instructions)	2b	N/A	
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ► 20__ , 20__ , 20__ , 20__			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If 'Yes,' did it have excess business holdings in 2011 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011)*	3b	N/A	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b		X

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

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

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

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

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

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

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

b If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)? **5b** 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? **6b** No: 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 (see instructions).

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

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

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

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

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

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ►		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** (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 GRANTS TO ORGANIZATIONS FOR THE PURPOSE OF REDUCING TEEN DROPOUT AND TEEN PREGNANCY RATES.	15,000.
2	
All other program-related investments See instructions. 3	
Total. Add lines 1 through 3 ►	15,000.

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	1,748,145.
b Average of monthly cash balances		1b	320,546.
c Fair market value of all other assets (see instructions)		1c	
d **Total** (add lines 1a, b, and c)		1d	2,068,691.
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	2,068,691.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)		4	31,030.
5 **Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	2,037,661.
6 **Minimum investment return.** Enter 5% of line 5		6	101,883.

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	101,883.
2a Tax on investment income for 2011 from Part VI, line 5	2a 951.		
b Income tax for 2011 (This does not include the tax from Part VI)	2b		
c Add lines 2a and 2b		2c	951.
3 Distributable amount before adjustments Subtract line 2c from line 1		3	100,932.
4 Recoveries of amounts treated as qualifying distributions		4	
5 Add lines 3 and 4		5	100,932.
6 Deduction from distributable amount (see instructions)		6	
7 **Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1		7	100,932.

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	34,409.
b Program-related investments – total from Part IX-B	1b	15,000.
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	49,409.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	951.
6 **Adjusted qualifying distributions.** Subtract line 5 from line 4	6	48,458.

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					100,932.
2 Undistributed income, if any, as of the end of 2011:					
a Enter amount for 2010 only				0.	
b Total for prior years: 20___, 20___, 20___			0.		
3 Excess distributions carryover, if any, to 2011:					
a From 2006	1,228.				
b From 2007	1,421.				
c From 2008	1,451.				
d From 2009	1,286.				
e From 2010	173.				
f **Total** of lines 3a through e		5,559.			
4 Qualifying distributions for 2011 from Part XII, line 4. ► $ 49,409.					
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					49,409.
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))*		5,559.			5,559.
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		0.			
b Prior years' undistributed income Subtract line 4b from line 2b			0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed			0.		
d Subtract line 6c from line 6b Taxable amount — see instructions			0.		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount — see instructions				0.	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012					45,964.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)		0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)		0.			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a		0.			
10 Analysis of line 9:					
a Excess from 2007					
b Excess from 2008					
c Excess from 2009					
d Excess from 2010					
e Excess from 2011					

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

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

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

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

Part XV **Supplementary Information (Complete this part only if the organization 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).)

NONE

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 9

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

SEE STATEMENT FOR LINE 2A

c Any submission deadlines·

SEE STATEMENT FOR LINE 2A

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

SEE STATEMENT FOR LINE 2A

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*				
Total			► 3a	
b *Approved for future payment*				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
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					
4 Dividends and interest from securities			14	45,008.	
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					69,648.
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)				45,008.	69,648.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 114,656.

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

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

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

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

Signature of officer or trustee

Date 1/9/13

Title Treasurer

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
THOMAS W. JONES	Thomas W. Jones	12/13/2012		P01270228

Firm's name ► STEVENSON, JONES & HOLMAAS, P.C.

Firm's EIN ► 86-0424851

Firm's address ► 5920 EAST PIMA STREET, SUITE 170
TUCSON, AZ 85712

Phone no (520) 886-5495

Schedule B
(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

► **Attach to Form 990, Form 990-EZ, or Form 990-PF**

OMB No 1545-0047

2011

Name of the organization	**Employer identification number**
THE LESTER AND ROBERTA SMITH FOUNDATION	86-0986636

Organization type (check one)

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)(_____) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule See instructions

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor (Complete Parts I and II)

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1 Complete Parts I and II

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

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

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

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2011) Page 1 of 1 of **Part 1**

Name of organization	Employer identification number
THE LESTER AND ROBERTA SMITH FOUNDATION	86-0986636

Part I **Contributors** (see instructions) Use duplicate copies of Part I if additional space is needed

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	LESTER AND ROBERTA SMITH TRUST 3450 E SUNRISE DRIVE TUCSON, AZ 85718	$ 2,461,921.	Person ☒ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution)
(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

Name of organization
THE LESTER AND ROBERTA SMITH FOUNDATION

Employer identification number
86-0986636

Part II Noncash Property (see instructions) Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	MARKETABLE SECURITIES	$ 1,590,277.	9/20/11

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Schedule **B** (Form 990, 990-EZ, or 990-PF) (2011) Page 1 to 1 of **Part III**

Name of organization
THE LESTER AND ROBERTA SMITH FOUNDATION

Employer identification number
86-0986636

Part III *Exclusively* religious, charitable, etc, individual contributions to section 501(c)(7), (8), or (10) organizations that total more than $1,000 for the year.

Complete cols **(a)** through **(e)** and the following line entry

For organizations completing Part III, enter total of *exclusively* religious, charitable, etc, contributions of **$1,000 or less** for the year (Enter this information once See instructions) ► $ N/A

Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

STATEMENT 1
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	$ 552.	$ 552.	$ 6.	$ 546.
TOTAL	$ 552.	$ 552.	$ 6.	$ 546.

STATEMENT 2
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGEMENT FEES	$ 18,075.	$ 18,075.	$ 181.	$ 17,894.
TOTAL	$ 18,075.	$ 18,075.	$ 181.	$ 17,894.

STATEMENT 3
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE TAX	$ 900.	$ 900.	$ 9.	$ 891.
TOTAL	$ 900.	$ 900.	$ 9.	$ 891.

STATEMENT 4
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MISCELLANEOUS FEES	$ 8.			$ 8.
POSTAGE	70.	$ 1.	$ 1.	70.
TOTAL	$ 78.	$ 1.	$ 1.	$ 78.

STATEMENT 5
FORM 990-PF, PART I, LINE 25
CONTRIBUTIONS, GIFTS, AND GRANTS

CASH GRANTS AND ALLOCATIONS

CLASS OF ACTIVITY: TEEN DROPOUT AND PREGNANC
DONEE'S NAME: IMAGO DEI MIDDLE SCHOOL
DONEE'S ADDRESS: 55 N 6TH AVE

STATEMENT 5 (CONTINUED)
FORM 990-PF, PART I, LINE 25
CONTRIBUTIONS, GIFTS, AND GRANTS

TUCSON, AZ 85702
RELATIONSHIP OF DONEE: NONE
ORGANIZATIONAL STATUS OF DONEE: PUBLIC CHARTER SCHOOL
AMOUNT GIVEN: $ 5,000.

CLASS OF ACTIVITY: TEEN DROPOUT AND PREGNANC
DONEE'S NAME: LA PALOMA FAMILY SERVICES
DONEE'S ADDRESS: 870 WEST MIRACLE MILE
TUCSON, AZ 85705
RELATIONSHIP OF DONEE: NONE
ORGANIZATIONAL STATUS OF DONEE: 501 (C) (3)
AMOUNT GIVEN: 5,000.

CLASS OF ACTIVITY: TEEN DROPOUT AND PREGNANC
DONEE'S NAME: YOUTH ON THEIR OWN
DONEE'S ADDRESS: 1443 WEST PRINCE ROAD
TUCSON, AZ 85705
RELATIONSHIP OF DONEE: NONE
ORGANIZATIONAL STATUS OF DONEE: 501 (C) (3)
AMOUNT GIVEN: 5,000.

TOTAL $ 15,000.

STATEMENT 6
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
1	70 SHS AMERICAN EXPRESS	PURCHASED	3/15/2012	5/21/2012
2	330 SHS BARCLAYS AGGREGATE	PURCHASED	9/28/2011	4/09/2012
3	15 SHS GOOGLE	PURCHASED	1/19/2012	4/09/2012
4	15 SHS CONOCOPHILLIPS	PURCHASED	4/12/2012	5/21/2012
5	500 SHS SUNCOR ENERGY	PURCHASED	1/19/2012	3/02/2012
6	430 SHS VERIZON	PURCHASED	1/19/2012	4/09/2012
7	710 SHS ABBOTT LABORTORIES	DONATED	9/20/2011	1/13/2012
8	220 SHS APACHE CORP	DONATED	9/20/2011	4/09/2012
9	300 SHS BAXTER INTL	DONATED	9/20/2011	3/29/2012
10	1100 SHS CISCO CORP	DONATED	9/20/2011	4/09/2012
11	290 SHS DANAHER CORP	DONATED	9/20/2011	5/21/2012
12	500 SHS DOMINION RES	DONATED	9/20/2011	3/29/2012
13	480 SHS E I DU PONT	DONATED	9/20/2011	3/29/2012
14	430 SHS EXXONMOBILE	DONATED	9/20/2011	1/13/2012
15	600 SHS HEWITT PACKARD	DONATED	9/20/2011	1/13/2012
16	112 SHS IBM	DONATED	9/20/2011	5/21/2012
17	350 SHS J P MORGAN	DONATED	9/20/2011	3/29/2012
18	660 SHS JOHNSON & JOHNSON	DONATED	9/20/2011	4/09/2012
19	310 SHS MCDONALDS	DONATED	9/20/2011	5/21/2012
20	775 SHS MFC RUSSELL 2000 INDEX	DONATED	9/20/2011	5/21/2012
21	340 SHS ORACLE CORP	DONATED	9/20/2011	4/09/2012
22	675 SHS PEPSICO	DONATED	9/20/2011	4/09/2012
23	150 SHS PRAXAIR	DONATED	9/20/2011	4/09/2012
24	405 SHS PROCTOR & GAMBLE	DONATED	9/20/2011	5/21/2012
25	700 SHS ROYAL DUTCH SHELL	DONATED	9/20/2011	4/09/2012

STATEMENT 6 (CONTINUED)
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
26	800 SHS SELECT SECTOR INDL INTL	DONATED	9/20/2011	4/09/2012
27	825 SHS TARGET	DONATED	9/20/2011	4/09/2012
28	250 SHS TEVA PHARMACEUTICALS	DONATED	9/20/2011	3/29/2012
29	165 SHS UNITED TECHNOLOGIES	DONATED	9/20/2011	3/29/2012
30	100000 UNIVERSITY OF ALABAMA BOND	DONATED	9/20/2011	9/23/2011
31	100000 JOHNSON CNTY KANSAS BOND	DONATED	9/20/2011	9/23/2011
32	680 SHS WELLS FARGO	DONATED	9/20/2011	4/09/2012
33	300 SHS MICROSOFT	DONATED	9/20/2011	5/21/2012
34	50000 ONTARIO PROV BOND	PURCHASED	9/20/2011	9/23/2011

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I)-(J)	(L) GAIN (LOSS)
1	3,923.		3,927.	-4.				$ -4.
2	36,349.		36,444.	-95.				-95.
3	9,427.		9,372.	55.				55.
4	1,115.		1,255.	-140.				-140.
5	18,105.		15,835.	2,270.				2,270.
6	16,186.		16,636.	-450.				-450.
7	41,103.		36,913.	4,190.				4,190.
8	20,492.		21,052.	-560.				-560.
9	17,740.		16,710.	1,030.				1,030.
10	21,901.		18,161.	3,740.				3,740.
11	15,432.		13,343.	2,089.				2,089.
12	25,312.		24,870.	442.				442.
13	24,350.		22,262.	2,088.				2,088.
14	35,987.		31,691.	4,296.				4,296.
15	15,840.		13,746.	2,094.				2,094.
16	22,037.		19,391.	2,646.				2,646.
17	15,812.		11,372.	4,440.				4,440.
18	42,852.		42,332.	520.				520.
19	28,795.		27,531.	1,264.				1,264.
20	58,798.		54,444.	4,354.				4,354.
21	9,516.		9,867.	-351.				-351.
22	44,313.		40,878.	3,435.				3,435.
23	16,879.		15,014.	1,865.				1,865.
24	26,064.		25,843.	221.				221.
25	48,035.		45,766.	2,269.				2,269.
26	28,800.		25,336.	3,464.				3,464.
27	46,379.		43,527.	2,852.				2,852.
28	11,021.		9,435.	1,586.				1,586.
29	13,376.		12,466.	910.				910.
30	109,059.		100,974.	8,085.				8,085.
31	106,268.		100,709.	5,559.				5,559.
32	22,453.		16,544.	5,909.				5,909.
33	8,847.		8,163.	684.				684.
34	50,350.		51,459.	-1,109.				-1,109.
							TOTAL	$ 69,648.

STATEMENT 7
FORM 990-PF, PART VII-A, LINE 10
SUBSTANTIAL CONTRIBUTORS DURING THE TAX YEAR

NAME OF SUBSTANTIAL CONTRIBUTOR	ADDRESS OF SUBSTANTIAL CONTRIBUTOR
LESTER AND ROBERTS SMITH TRUST	3450 E SUNRISE DRIVE TUCSON, AZ 85718

STATEMENT 8
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN-SATION	CONTRI-BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
JOHN TAYLOR 1132 EAST PASEO PAVON TUCSON, AZ 85718	TRUSTEE 0	$ 0.	$ 0.	$ 0.
TODD ACKERMAN 5230 CAMINO SUMO TUCSON, AZ 85718	VICE PRESIDENT 0	0.	0.	0.
LINDA TAUFEN 4547 N PLACITA DE LAS CHACRAS TUCSON, AZ 85718	TREASURER 0	0.	0.	0.
JAMES SAKRISON 4801 E BROADWAY BLVD, STE 301 TUCSON, AZ 85711	TRUSTEE 0	0.	0.	0.
NINA DOLDRIP 4455 E CAMP LOWELL TUCSON, AZ 85712	SECRETARY 0	0.	0.	0.
RICHARD IMWALLE 3850 PLACITA DE PIACHO TUCSON, AZ 85718	TRUSTEE 0	0.	0.	0.
WILLIAM CARRELL 6044 E. COUNTRY CLUB VISTA DR. TUCSON, AZ 85715	PRESIDENT 0	0.	0.	0.
	TOTAL	$ 0.	$ 0.	$ 0.

STATEMENT 9
FORM 990-PF, PART XV, LINE 2A-D
APPLICATION SUBMISSION INFORMATION

NAME OF GRANT PROGRAM:
NAME: TODD ACKERMAN, VICE-PRESIDENT
CARE OF:
STREET ADDRESS: 5230 CAMINO SUMA

STATEMENT 9 (CONTINUED)
FORM 990-PF, PART XV, LINE 2A-D
APPLICATION SUBMISSION INFORMATION

CITY, STATE, ZIP CODE:	TUCSON, AZ 85718
TELEPHONE:	
FORM AND CONTENT:	REQUEST FOR GRANT SHOULD INCLUDE MATERIALS ON HOW GRANT WOULD IMPROVE THE SCHOOL DROPOUT RATE AND REDUCE TEEN PREGNANCY RATE IN ARIZONA
SUBMISSION DEADLINES:	NONE
RESTRICTIONS ON AWARDS:	LIMITED TO GRANTS FOR PROGRAMS TO REDUCE THE SCHOOL DROPOUT RATE AND REDUCE TEEN PREGNANCY IN ARIZONA

Account Statement

July 1, 2011 - June 30, 2012

Portfolio Details

	Market Price	Shares	Market Value	Basis
Equity Securities - Large Cap				
ABBOTT LABORATORIES, COMMON STOCK NO PAR (ABT)	$64 470	140 00	$9,025.80	$7,279.00
AMERICAN EXPRESS CO , COMMON STOCK, $ 60PAR (AXP)	58 210	230 00	13,388.30	12,901.67
AMGEN INC COMMON STOCK (AMGN;	73 040	275.00	20,086.00	18,481.47
APACHE CORP , COMMON STOCK $1 25 PAR (APA)	87.890	80 00	7,031 20	7,655.00
APPLE INC COM STK (AAPL)	584.000	25.00	14,600.00	14,165.10
AUTOMATIC DATA PROCESSING INC COM (ADP)	55.660	90.00	5,009.40	4,933.80
BRISTOL MYERS SQUIBB CO COMMON STOCK (BMY)	35 950	400.00	14,380 00	13,536.00
CHEVRON COPP COM (CVX)	105.500	120 00	12,660 00	11,854.80
COCA COLA CO COM (KO)	78 190	170.00	13,292.30	12,403.20
CONOCOPHILLIPS COM (COP)	55.880	70.00	3,911.60	3,979.73
COSTCO WHOLESALE CORP NEW COM (COST)	95.000	70.00	6,650.00	6,324.73
CVS CAREMARK CORP COM STK (CVS)	46.730	180 00	8,411.40	8,039.39
DANAHER CORP COMMON STOCK $ 01 PAR (DHR)	52.080	310.00	16,144.80	14,263.00
DOMINION RES INC VA NEW COM (D)	54.000	200.00	10,800 00	9,948.00

Account Statement

July 1, 2011 - June 30, 2012

Portfolio Details *(continued)*

	Market Price	Shares	Market Value	Basis
DU PONT E I DE NEMOURS & CO COM STK (DD)	50 570	120.00	6,068.40	5,566.00
EATON CORP , COMMON STOCK, $ 50 PAR (ETN)	39.630	120.00	4,755.60	5,853.60
EMC CORP COM (EMC)	25.630	410 00	10,508.30	10,467.30
EXPRESS SCRIPTS HLDG CO COM (ESRX)	55.830	70 00	3,908.10	3,747.80
EXXON MOBIL CORP COM (XOM)	85.570	220 00	18,825 40	16,214.00
FRANKLIN RES INC COMMON STOCK, (BEN)	110.990	100.00	11,099.00	12,311.20
GENERAL ELECTRIC CO (GE)	20.840	440.00	9,169.60	8,415.35
GOOGLE INC CL A CL A (GOOG)	580.070	20.00	11,601.40	12,495.48
GRAINGER, W W , INC , COMMON STOCK, $1 PAR (GWW)	191.240	30 00	5,737.20	6,417.90
H J HEINZ (HNZ)	54.380	90.00	4,894.20	4,839.30
HOME DEPOT INC , COMMON STOCK, $ 05 PAR (HD)	52.990	100.00	5,299.00	4,947 00
INTEL CORP COM (INTC)	26.650	800.00	21,320.00	20,164.00
INTERNATIONAL BUSINESS MACHS CORP COM (IBM)	195.580	90.00	17,602 20	15,235.00
JOHNSON & JOHNSON COM USD1 (JNJ)	67.560	90.00	6,080.40	5,773.00
JPMORGAN CHASE & CO COM (JPM)	35.730	450.00	16,078 50	14,621.00
MC DONALDS CORP COMMON STOCK, NO PAR (MCD)	88.530	190.00	16,820.70	16,874.00

Account Statement

July 1, 2011 - June 30, 2012

Portfolio Details *(continued)*

	Market Price	Shares	Market Value	Basis
MICROSOFT CORP COM (MSFT)	30.590	500.00	15,295.00	13,605.00
NATIONAL OILWELL VARCO COM STK (NOV)	64.440	150.00	9,666.00	10,876.28
NIKE INC CL B CL B (NKE)	87.780	80.00	7,022.40	8,702.40
NOBLE ENERGY INC COM (NBL)	84.820	100 00	8,482.00	9,431.00
NORFOLK SOUTHN CORP COM (NSC)	71.770	130.00	9,330.10	8,498.10
ORACLE CORPORATION COM (ORCL)	29.700	460 00	13,662.00	13,349.00
PROCTER & GAMBLE COM NPV (PG)	61.250	270.00	16,537.50	17,229.00
QUALCOMM INC COM (QCOM)	55.680	150.00	8,352.00	10,101.00
SCHLUMBERGER LTD COM COM (SLB)	64.910	200.00	12,982.00	13,589.36
SIMON PROPERTY GROUP INC COM (SPG)	155.660	40 00	6,226.40	5,882.00
SPECTRA ENERGY CORP COM STK (SE)	29.060	190.00	5,521.40	5,981.20
TARGET CORP COM STK (TGT)	58.190	180 00	10,474.20	9,233.00
UNITED TECHNOLOGIES CORP COM (UTX)	75 530	210 00	15,861.30	15,865.00
UNITEDHEALTH GROUP INC COM (UNH)	58.500	180.00	10,530.00	10,513.80
US BANCORP (USB)	32.160	400.00	12,864.00	9,556.00
V F CORP . COMMON STOCK, NO PAR (VFC)	133.450	80 00	10,676.00	10,846.40
VERIZON COMMUNICATIONS COM (VZ)	44.440	170.00	7,554 80	6,577.27
WAL-MART STORES INC COMMON STOCK, $ 10 PAR (WMT)	69.720	80 00	5,577.60	4,811.20

Account Statement

July 1, 2011 - June 30, 2012

Portfolio Details *(continued)*

	Market Price	Shares	Market Value	Basis
WELLS FARGO & CO NEW COM STK (WFC)	33.440	420.00	14,044.80	10,219.00
Total Large Cap			**$525,818.30**	468,834.83
Equity Securities - Mid Cap				
AMERICAN WTR WKS CO INC NEW COM (AWK)	$34.280	90.00	$3,085.20	$3,017.70
AUTODESK INC , COMMON STOCK (ADSK)	34.990	100 00	3,499.00	4,073.00
MFB NORTHERN MULTI-MANAGER MID CAP FUND (NMMCX)	11.580	6,586 00	76,265.88	71,912.00
NUCOR CORP. COMMON STOCK. $ 40 PAR (NUE)	37.900	100.00	3,790.00	4,113 00
PRINCIPAL FINL GROUP INC COM STK (PFG)	26.230	170.00	4,459.10	4,958.90
SPDR DOW JONES REIT ETF (RWR)	72.890	370.00	26,969.30	25,611.30
Total Mid Cap			**$118,068.48**	113,685.90
Equity Securities - Small Cap				
MFC ISHARES TR S&P SMALLCAP 600 INDEX FD (IJR)	$73.270	930 00	$68,141.10	$65,743.75
Total Small Cap			**$68,141.10**	**$65,743.75**
Equity Securities - International Developed				
BHP BILLITON LTD SPONSORED ADR (BHP)	$65 300	100.00	$6,530.00	$6,383 00
Total Australia - USD			**$6,530.00**	**$6,383.00**

Account Statement

July 1, 2011 - June 30, 2012

Portfolio Details *(continued)*

	Market Price	Shares	Market Value	Basis
MFC ISHARES TR MSCI EAFE INDEX FD (EFA)	49 960	2,000.00	99,920.00	101.340.00
Total Europe, Australia, and Far East Region - USD			**$99,920.00**	101,340.00
MFC SPDR INDEX SHS FDS DOW JONES INTL REAL ESTATE ETF (RWX)	36 780	1,020.00	37,515.60	35,941.70
MFC VANGUARD INTL EQUITY INDEX FDS VANGUARD FTSE ALL WORLD EX US ETF (VEU)	40.980	3,225.00	132,160.50	134,329 66
MFO HARRIS ASSOC INVT TR OAKMARK INTL SMALL CAP FD CL I (OAKEX)	12.600	3,612.91	45,522.66	49,338.00
Total International Region - USD			**$215,198.76**	**$219,609.36**
Total International Developed			**$321,648.76**	**$315,892.36**
Equity Securities - International Emerging				
MFC ISHARES TR MSCI EMERGING MKTS INDEX FD (EEM)	$39 190	3,620 00	$141,867.80	141,899.00
MFO DFA EMERGING MARKETS VALUE (DFEVX)	26 840	1,165.74	31,288 46	32,586.00
Total Emerging Markets Region - USD			**$173,156.26**	174,485.00
Total International Emerging			**$173,156.26**	174,485.00
Total Equity Securities			**$1,206,832.90**	1,239,976.84

Portfolio Details *(continued)*

	Market Price	Par Value/ Rating	Market Value	Basis
Fixed Income Securities - Corporate/ Government				
2012 JOHNSON & JOHNSON 5 15% DUE 08-15-2012/08-14-2012 BEO	$100.550	100,000.00 NR	$100,550.00	$100,961.00
UNITED STATES TREAS NTS NTS 4.625% DUE 07-31-2012 REG	100.359	100,000.00 NR	100,359.40	101,570.31
2014 MICROSOFT CORP 2 95% DUE 06-01-2014 REG	104.531	50,000.00 Aaa	52,265 60	50,622.00
2015 COCA COLA CO 1 5% DUE 11-15-2015/11-15-2010 REG	102.169	50,000 00 Aa3	51,084.55	51,236.50
2017 DEERE JOHN CAP CORP MEDIUM TERM NTS-BOOKTRANCHE # TR 00371 2 0% DUE 01-13-2017 (MTN1)	103.149	50,000.00 A2	51,574.55	51,365.50
OCCIDENTAL PETE CORP 1 75% DUE 02-15-2017 REG	101.687	50,000.00 A1	50,843.70	50,797.00
2020 JPMORGAN CHASE & CO 4 4% DUE 07-22-2020 REG	105.473	50,000.00 A2	52,736.50	50,215.00
2021 COLGATE-PALMOLIVE CO MEDIUM TERM NTS BOOK TRANCHE # TR 00095 2 45% DUE 11-15-2021 (MTN1)	102 018	50,000 00 Aa3	51,009 05	50,404.50

Account Statement

July 1, 2011 - June 30, 2012

Portfolio Details *(continued)*

	Market Price	Par Value/ Rating	Market Value	Basis
2022 TARGET CORP 2 9% DUE 01-15-2022 REG	102.177	50,000 00 A2	51,088 55	50.185.50
TOYOTA MTR CR CORP MEDIUM TERM NTS BOOK ENTRY TRANCHE # TR 00858 3 3% DUE 01-12-2022 (MTN1)	105.006	50,000.00 Aa3	52,503 15	50,334.50
Funds ETF ISHARES BARCLAYS AGGREGATE BD FD (AGG)	111.300	1,370 00	152,481 00	151,298.83
MFC ISHARES IBOXX INVT GRADE GROUP BOND FUND (LQD)	117.660	1,500.00	176,490 00	169,827.90
MFO VANGUARD INFLATION PROTECTED SECURITIES FUND ADMIRAL (VAIPX)	28.680	3,435.18	98,520.96	95,120 08
Total Corporate/ Government			**$1,041,507.01**	**$1,023,938.62**
Fixed Income Securities - International Developed				
2016 BHP BILLITON FIN USA LTD 1 875% DUE 11-21-2016 REG	$102.434	50,000 00 A1	$51,217.20	$50,954.00
Total Australia - USD			**$51,217.20**	**$50,954.00**
Total International Developed			**$51,217.20**	**$50,954.00**
Fixed Income Securities - Other Bonds				
Funds MFC ISHARES TR IBOXX $ HIGH YIELD CORP BD FD (HYG)	$91.220	630 00	$57,468.60	$56,001.60

Portfolio Details *(continued)*

	Market Price	Par Value/ Rating	Market Value	Basis
Total Other Bonds			**$57,468.60**	**$56,001.60**
Total Fixed Income Securities			**$1,150,192.81**	**$1,130,894.22**

	Market Price	Units	Market Value	Cost
Commodities - Commodities				
MFC FLEXSHARES TR MORNINGSTAR GLOBAL UPSTREAM NAT RES INDEX FD (GUNR)	$33.030	290.00	$9,578.70	$10,013 70
MFC SPDR GOLD TR GOLD SHS (GLD)	155.190	50.00	7,759.50	7,877.00
Total Global Region - USD			**$17,338.20**	**$17,890.70**
Funds MFO PIMCO FDS PAC INVT MGMT SER COMMODITY REALRETURN STRATEGY FD INSTL (PCRIX)	6.420	2,320.28	14,896.19	15,271.00
Total Commodities			**$32,234.39**	**$33,161.70**
Total Commodities			**$32,234.39**	**$33,161.70**

Account Statement

July 1, 2011 - June 30, 2012

Portfolio Details *(continued)*

	Market Price		Market Value	Basis	
Cash and Short Term Investments - Cash					
Available cash balances are invested daily in MFB NORTHERN FDS MONEY MKT FD MONEY MARKET FUND					
PRINCIPAL CASH	$1 000	161,376.34	$161,376.34	$161,376.34	
INCOME CASH	1.000	51,243 49	51,243 49	51,243 49	
Total Cash			**$212,619.83**	**$212,619.83**	
Total Cash and Short Term Investments			**$212,619.83**	**$212,619.83**	
Total Portfolio			**$2,601,879.93**	2,616,652.59	$1
Total Accrual			**$8,172.36**		
Total Value			**$2,610,052.29**		

*** Complete cost information not available**

Form **8868**
(Rev January 2012)

Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

► **File a separate application for each return.**

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box ► ☒
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form)

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

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

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

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

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

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions THE LESTER AND ROBERTA SMITH FOUNDATION	Employer identification number (EIN) or ☒ 86-0986636
	Number, street, and room or suite number If a P O box, see instructions 5920 E PIMA #170	Social security number (SSN) ☐
	City, town or post office, state, and ZIP code For a foreign address, see instructions TUCSON, AZ 85712	

Enter the Return code for the return that this application is for (file a separate application for each return) 04

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (section 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ► THOMAS W JONES

Telephone No. ► 520/886-5495 FAX No ►

- If the organization does not have an office or place of business in the United States, check this box ► ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ If this is for the whole group, check this box ► ☐ . If it is for part of the group, check this box ► ☐ and attach a list with the names and EINs of all members the extension is for

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 2/15, 20 13, to file the exempt organization return for the organization named above The extension is for the organization's return for:

► ☐ calendar year 20____ or

► ☒ tax year beginning 7/01, 20 11, and ending 6/30, 20 12

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

☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	3a	$ 1,196.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit	3b	$ 1,196.
c Balance due. Subtract line 3b from line 3a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	3c	$ 0.

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

BAA For Paperwork Reduction Act Notice, see Instructions.