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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

2012

Open to Public Inspection

For calendar year 2012, or tax year beginning 01-01-2012 , and ending 12-31-2012

Name of foundation HUGHES FOUNDATION INC		A Employer identification number 23-6298104	
Number and street (or P O box number if mail is not delivered to street address) P O BOX 149		B Telephone number (see instructions) (570) 393-1226	
City or town, state, and ZIP code STROUDSBURG, PA 18360		C If exemption application is pending, check here <input type="checkbox"/>	
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>	
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 2,797,967		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	
J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) (Part I, column (d) must be on cash basis.)			

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))</small>		(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 (attach schedule)	75,000			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	17,838	17,838		
	4 Dividends and interest from securities.	70,031	70,031		
	5a Gross rents				
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10	109,562			
	b Gross sales price for all assets on line 6a 1,416,013				
	7 Capital gain net income (from Part IV, line 2)		109,562		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)	996	996		
	12 Total. Add lines 1 through 11	273,427	198,427		
	13 Compensation of officers, directors, trustees, etc	0	0		0
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	4,700	4,700		0
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	850	0		0
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	1,307	1,307		0
	24 Total operating and administrative expenses. Add lines 13 through 23	6,857	6,007		0
	25 Contributions, gifts, grants paid	131,150			131,150
	26 Total expenses and disbursements. Add lines 24 and 25	138,007	6,007		131,150
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	135,420			
	b Net investment income (if negative, enter -0-)		192,420		
	c Adjusted net income (if negative, enter -0-)				

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	1,780	219,926	219,926
	3	Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____	37,500		
	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 page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ _____ Less allowance for doubtful accounts ▶ _____			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	2,144,692	2,129,632	2,252,652
	c	Investments—corporate bonds (attach schedule).	330,420	318,060	325,389
	11	Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12	Investments—mortgage loans	17,806	0	0
	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)	2,532,198	2,667,618	2,797,967	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶ _____)			
	23	Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds	845,866	845,866	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund	0	0	
	29	Retained earnings, accumulated income, endowment, or other funds	1,686,332	1,821,752	
	30	Total net assets or fund balances (see page 17 of the instructions)	2,532,198	2,667,618	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	2,532,198	2,667,618	

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)	12,532,198
2	Enter amount from Part I, line 27a	135,420
3	Other increases not included in line 2 (itemize) ▶ _____	0
4	Add lines 1, 2, and 3	2,667,618
5	Decreases not included in line 2 (itemize) ▶ _____	0
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	2,667,618

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	See Additional Data Table			
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 See Additional Data Table			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a See Additional Data Table			
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	109,562
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8		3	

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

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

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

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

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

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2011	123,032	2,642,865	0 046553
2010	112,225	2,498,575	0 044916
2009	127,367	2,282,799	0 055794
2008	108,048	2,611,504	0 041374
2007	52,000	3,445,864	0 015091

2	Total of line 1, column (d).	2	0 203728
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0 040746
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5.	4	2,676,071
5	Multiply line 4 by line 3.	5	109,039
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	1,924
7	Add lines 5 and 6.	7	110,963
8	Enter qualifying distributions from Part XII, line 4.	8	131,150

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 VIExcise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the 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

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-)

3

Add lines 1 and 2.

4

Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)

5

Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-

6

Credits/Payments

a

2012 estimated tax payments and 2011 overpayment credited to 2012

6a

960

b

Exempt foreign organizations—tax withheld at source

6b

c

Tax paid with application for extension of time to file (Form 8868)

6c

d

Backup withholding erroneously withheld

6d

7

Total credits and payments Add lines 6a through 6d.

8

Enter any penalty for underpayment of estimated tax Check here ☐ if Form 2220 is attached

9

Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed

10

Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid.

11

Enter the amount of line 10 to be Credited to 2013 estimated tax Refunded

1

1,924

2

0

3

1,924

4

0

5

1,924

7

960

9

964

11

Part VII-AStatements Regarding Activities

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?

b

Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?

If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.

c

Did the foundation file Form 1120-POL for this year?

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.

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

4a

Did the foundation have unrelated business gross income of \$1,000 or more during the year?

b

If "Yes," has it filed a tax return on Form 990-T for this year?

5

Was there a liquidation, termination, dissolution, or substantial contraction during the year?

If "Yes," attach the statement required by General Instruction T.

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?

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

8a

Enter the states to which the foundation reports or with which it is registered (see instructions)

PA

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 .

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 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)?

If "Yes," complete Part XIV

10

Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses

Yes

No

No

No

No

No

No

Yes

Yes

No

Yes

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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		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	
Website address ▶N/A				
14	The books are in care of ▶TERRI CRAMER Telephone no ▶(570) 421-0300 Located at ▶24 NORTH SEVENTH STREET STROUDSBURG PA ZIP +4 ▶18360			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —Check here ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ▶	15		
16	At any time during calendar year 2012, 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		No
See 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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			Yes	No
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?. . . Organizations relying on a current notice regarding disaster assistance check here. ▶ <input type="checkbox"/>	1b		
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?.	1c		No
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 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012?. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions).	2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b	If "Yes," did it have excess business holdings in 2012 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? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2012.</i>).	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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 2012?	4b		No

Part VII-B

Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a

During the year did the foundation pay or incur any amount to

(1)

Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

Yes

No

(2)

Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

Yes

No

(3)

Provide a grant to an individual for travel, study, or other similar purposes?

Yes

No

(4)

Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions).

Yes

No

(5)

Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

Yes

No

b

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

5b

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

c

If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

Yes

No

If "Yes," attach the statement required by Regulations section 53.4945–5(d).

6a

Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

Yes

No

b

Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

6b

No

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

7a

At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

Yes

No

b

If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

7b

Part VIII

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

1

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

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

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	
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	
2	
All other program-related investments. See page 24 of the 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	2,598,874
b	Average of monthly cash balances.	1b	117,949
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	2,716,823
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	2,716,823
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	40,752
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,676,071
6	Minimum investment return. Enter 5% of line 5.	6	133,804

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	133,804
2a	Tax on investment income for 2012 from Part VI, line 5.	2a	1,924
b	Income tax for 2012 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	1,924
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	131,880
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	131,880
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	131,880

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	131,150
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	131,150
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	1,924
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	129,226
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 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				131,880
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only.			131,112	
b Total for prior years 20__, 20__, 20__		0		
3 Excess distributions carryover, if any, to 2012				
a From 2007.				
b From 2008.				
c From 2009.				
d From 2010.				
e From 2011.				
f Total of lines 3a through e.	0			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 131,150				
a Applied to 2011, but not more than line 2a			131,112	
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 2012 distributable amount.				38
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	0			0
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0			
b Prior years' undistributed income Subtract line 4b from line 2b.		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.		0		
d Subtract line 6c from line 6b Taxable amount—see instructions		0		
e Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013.				131,842
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 2007 not applied on line 5 or line 7 (see instructions). . . .	0			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a.	0			
10 Analysis of line 9				
a Excess from 2008. . . .				
b Excess from 2009. . . .				
c Excess from 2010. . . .				
d Excess from 2011. . . .				
e Excess from 2012. . . .				

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

1a

If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling.

b

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

☐ 4942(j)(3) or ☐ 4942(j)(5)

2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed.	Tax year	Prior 3 years			(e) Total
		(a) 2012	(b) 2011	(c) 2010	(d) 2009	
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 XVSupplementary 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))

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

2

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

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

a

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

b

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

c

Any submission deadlines

d

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

Part XV

Supplementary Information (continued)

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year See Additional Data Table				
Total			3a	131,150
b Approved for future payment				
Total			3b	0

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			14	17,838	
4	Dividends and interest from securities. . . .			14	70,031	
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.			16	996	
8	Gain or (loss) from sales of assets other than inventory			18	109,562	
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		198,427	0
13	Total. Add line 12, columns (b), (d), and (e).			13	198,427	

[illegible]

<p>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?</p> <p>a Transfers from the reporting foundation to a noncharitable exempt organization of</p> <p>(1) Cash.</p> <p>(2) Other assets.</p> <p>b Other transactions</p> <p>(1) Sales of assets to a noncharitable exempt organization.</p> <p>(2) Purchases of assets from a noncharitable exempt organization.</p> <p>(3) Rental of facilities, equipment, or other assets.</p> <p>(4) Reimbursement arrangements.</p> <p>(5) Loans or loan guarantees.</p> <p>(6) Performance of services or membership or fundraising solicitations.</p> <p>c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.</p> <p>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</p>		Yes	No
1a(1)			No
1a(2)			No
1b(1)			No
1b(2)			No
1b(3)			No
1b(4)			No
1b(5)			No
1b(6)			No
1c			No

[illegible]

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

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

**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 or fiduciary) is based on all information of which preparer has any knowledge.

* * * * *

2013-05-08

* * * * *

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**

Paid Preparer Use Only	Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed <input checked="checked" type="checkbox"/>	PTIN P00227422
	JOSEPH KALADA CPA	JOSEPH KALADA CPA	2013-05-08		
	Firm's name <input type="checkbox"/>	KRONICK KALADA BERDY & CO PC 190 LATHROP ST		Firm's EIN <input type="checkbox"/>	23-2667890
	Firm's address <input type="checkbox"/>	KINGSTON, PA 18704		Phone no	(570) 283-2727

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
1,500 SHS TELEPHONE AND DATA	P	2011-10-31	2012-04-11
GINNIE MAE SERIES 2009-35	P	2009-05-05	2012-07-20
GINNIE MAE SERIES 2008-89	P	2008-10-29	2012-05-12
951 294 SHS AMERICAN FUNDS GLOBAL BALANCED	P	2011-02-09	2012-11-07
4,872 088 SHS CAPITAL WORLD BOMD FUND	P	2007-06-11	2012-01-19
2,301 317 SHS CAPITAL WORLD GROWTH & INC	P	2008-10-14	2012-01-19
1,403 706 SHS DAVIS NEW YORK VENTURE	P	2011-10-31	2012-11-07
2,338 58 SHS FINANCIAL INVESTMENT TR GROWTH	P	2012-05-14	2012-11-07
1,260 081 SHS FUNDAMENTAL INVESTORS	P	2008-10-14	2012-11-07
2,521 856 SHS GROWTH FUND OF AMERICA	P	2009-01-30	2012-01-19
1,503 307 SHS GROWTH FUND OF AMERICA	P	2010-02-04	2012-11-07
1,000 SHS GLOBAL X FUNDS SUPERDIVIDEND	P	2012-07-26	2012-11-07
1,322 751 SHS HIGHLAND EQUITY OPPORTUNITY	P	2011-02-10	2012-04-12
4,370 629 SHS HIGHLAND EQUITY	P	2011-02-25	2012-08-16
3,048 78 SHS HIGHLAND EQUITY	P	2011-05-17	2012-10-05
3,291 785 SHS HIGHLAND EQUITY	P	2012-02-03	2012-11-28
1,764 425 SHS INVESTMENT CO OF AMERICA	P	2010-09-21	2012-01-19
4,873 294 INVESTMENT COAST MANAGERS	P	2011-09-22	2012-11-07
4,088 225 SHS ING MUTUAL	P	2010-11-12	2012-04-11
2,131 662 SHS MFS SERIES X INTL	P	2011-05-24	2012-11-07
5,906 867 SHS MFS SERIES TRUST VI	P	2009-09-15	2012-01-19
600 SHS POWERSHARES	P	2011-12-14	2012-02-23
7,017 321 SHS TOUCHSTONE FUNDS	P	2010-05-18	2012-01-19
5,459 243 SHS TOUCHSTONE SMALL CAP	P	2012-02-23	2012-11-07
4,177 109 SHS TOUCHSTONE SANDS CAPITAL	P	2012-06-13	2012-11-07
50,000 SHS WELLS FARGO	P	2009-11-03	2012-06-13
500 SHS WELLS FARGO ENHANCED	P	2011-12-09	2012-06-15
25,000 SHS BARCLAYS BANK	P	2011-12-27	2012-02-06
25,000 SHS BARCLAYS BANK	P	2011-12-29	2012-07-24
25,000 SHS BARCLAYS BANK	P	2012-02-03	2012-10-01

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
25,000 SHS ROYAL BANK OF SCOTLAND	P	2011-01-28	2012-09-07
25,000 SHS WYHDHAM WORLDWIDE	P	2012-03-28	2012-09-18
25,000 SHS ROYAL CARRIBEAN CRUISES	P	2010-07-06	2012-08-24
GINNIE MAE SERIES 2008-89 - ROP	P	2008-10-29	2012-06-30
GINNIE MAE SERIES 2009-35 - ROP	P	2009-05-05	2012-06-30
2,365 184 SHS TOUCHSTONE FUNDS	P	2012-02-23	2012-11-07
CAPITAL GAINS DIVIDENDS	P		

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
44,960		45,084	-124
1,356		946	410
815		1,642	-827
25,000		23,873	1,127
100,000		99,332	668
75,000		64,420	10,580
50,000		46,942	3,058
25,000		25,016	-16
50,000		35,648	14,352
75,000		59,033	15,967
50,000		39,951	10,049
20,874		22,528	-1,654
15,000		15,345	-345
50,000		50,714	-714
35,000		35,128	-128
36,670		38,428	-1,758
49,069		44,439	4,630
50,000		49,513	487
66,556		71,174	-4,618
28,991		30,230	-1,239
100,000		88,517	11,483
12,866		14,045	-1,179
100,000		82,172	17,828
50,000		37,645	12,355
50,000		48,538	1,462
56,665		50,061	6,604
12,500		12,993	-493
25,000		24,768	232
24,566		22,246	2,320
25,000		24,793	207

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
28,132		25,542	2,590
25,142		25,073	69
26,645		25,056	1,589
			0
			0
25,000		25,616	-616
5,206			5,206

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			-124
			410
			-827
			1,127
			668
			10,580
			3,058
			-16
			14,352
			15,967
			10,049
			-1,654
			-345
			-714
			-128
			-1,758
			4,630
			487
			-4,618
			-1,239
			11,483
			-1,179
			17,828
			12,355
			1,462
			6,604
			-493
			232
			2,320
			207

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			2,590
			69
			1,589
			0
			0
			-616
			5,206

Form 990PF Part VIII Line 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
BRYAN E HUGHES	PRESIDENT 1 00	0	0	0
2666 STAGECOACH LANE LANCASTER, PA 17601				
KEVIN HUGHES	VICE PRESIDENT 0 00	0	0	0
2215 CHERRY COURT STROUDSBURG, PA 18360				
TERRI A CRAMER	TREASURER & ASST SECRETARY 2 00	0	0	0
439 WOODDALE ROAD EAST STROUDSBURG, PA 18301				
KATHY G SEABER	SECRETARY & ASST TRESURER 0 00	0	0	0
2548 SADDLE DRIVE LANCASTER, PA 17601				
BERNARD M BILICK	DIRECTOR 0 00	0	0	0
24 NORTH SEVENTH STREET STROUDSBURG, PA 18360				
RAYMOND PRICE III	DIRECTOR 0 00	0	0	0
410 ANALOMICK ROAD STROUDSBURG, PA 18360				
PATRICIA HUGHES	DIRECTOR 0 00	0	0	0
22215 CHERRY COURT STROUDSBURG, PA 18360				

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
STROUDSBURG LITTLE LEAGUE PO BOX 61 STROUDSBURG,PA 18360	NONE	PUBLIC	UNRESTRICTED	15,000
EAST STROUDSBURG UNIVERISTY 200 PROSPECT STREET EAST STROUDSBURG,PA 183012999	NONE	PUBLIC	UNRESTRICTED	10,000
POCONO AREA TRANSITIONAL HOUSING 7 NORTH NINTH STREET STROUDSBURG,PA 18360	NONE	PUBLIC	UNRESTRICTED	30,000
POCONO HEALTH FOUNDATION 206 EAST BROWN STREET EAST STROUDSBURG,PA 18301	NONE	PUBLIC	UNRESTRICTED	10,000
SALVATION ARMY 226 WASHINGTON ST PO BOX 178 EAST STROUDSBURG,PA 18301	NONE	PUBLIC	UNRESTRICTED	20,250
THE EXCHANGE CLUB PO BOX 755 EAST STROUDSBURG,PA 18301	NONE	PUBLIC	UNRESTRICTED	400
MONROE COUNTY MEALS ON WHEELS 9 NORTH NINTH STREET STROUDSBURG,PA 18360	NONE	PUBLIC	UNRESTRICTED	5,400
ERIE LACKAWANNA DINING CAR PO BOX 5821 PARSIPPANY,NJ 07054	NONE	PUBLIC	UNRESTRICTED	5,000
POCONO EYE ASSOCIATES 447 OFFICE PLAZA 300 PLAZA CT STE A EAST STROUDSBURG,PA 18301	NONE	PUBLIC	UNRESTRICTED	25,000
MILLERSVILLE UNIVERSITY FOUNDATION PO BOX 1002 MILLERSVILLE,PA 17551	NONE	PUBLIC	UNRESTRICTED	10,100
Total ▶ 3a				131,150

Schedule B

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

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

OMB No 1545-0047

2012

Name of the organization HUGHES FOUNDATION INC	Employer identification number 23-6298104
---	--

Organization type (check one)

Filers of:	Section:
Form 990 or 990-EZ	<div><input type="checkbox"/> 501(c)() (enter number) organization</div> <div><input type="checkbox"/> 4947(a)(1) nonexempt charitable trust not treated as a private foundation</div> <div><input type="checkbox"/> 527 political organization</div>
Form 990-PF	<div><input checked="" type="checkbox"/> 501(c)(3) exempt private foundation</div> <div><input type="checkbox"/> 4947(a)(1) nonexempt charitable trust treated as a private foundation</div> <div><input type="checkbox"/> 501(c)(3) taxable private foundation</div>

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 33¹/₃% 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)

Name of organization HUGHES FOUNDATION INC	Employer identification number 23-6298104
--	---

Part I	Contributors (see instructions) Use duplicate copies of Part I if additional space is needed		
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
<u>1</u>	HUGHES CHARITABLE LEAD ANNUITY TRUST C/O CLAIR HEISS HUGHES 130 MAPLE AV STROUDSBURG, PA 18360 	\$ 75,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
 	 	\$ 	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
 	 	\$ 	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
 	 	\$ 	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
 	 	\$ 	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
 	 	\$ 	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
 	 	\$ 	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Name of organization HUGHES FOUNDATION INC	Employer identification number 23-6298104
--	---

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
_____	_____ _____ _____ _____	\$ _____	_____
(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
_____	_____ _____ _____ _____	\$ _____	_____

Name of organization HUGHES FOUNDATION INC	Employer identification number 23-6298104
--	---

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 columns (a) through (e) and the following line entry

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

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
—	<div></div>	<div></div>	<div></div>
	(e) Transfer of gift		
	Transferee's name, address, and ZIP 4		Relationship of transferor to transferee
—	<div></div>	<div></div>	
	(e) Transfer of gift		
	Transferee's name, address, and ZIP 4		Relationship of transferor to transferee
—	<div></div>	<div></div>	<div></div>
	(e) Transfer of gift		
	Transferee's name, address, and ZIP 4		Relationship of transferor to transferee
—	<div></div>	<div></div>	<div></div>
	(e) Transfer of gift		
	Transferee's name, address, and ZIP 4		Relationship of transferor to transferee
—	<div></div>	<div></div>	<div></div>
	(e) Transfer of gift		
	Transferee's name, address, and ZIP 4		Relationship of transferor to transferee

TY 2012 Accounting Fees Schedule**Name:** HUGHES FOUNDATION INC**EIN:** 23-6298104

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	1,700	1,700		0
BOOKKEEPING FEES	3,000	3,000		0

TY 2012 Investments Corporate Bonds Schedule

Name: HUGHES FOUNDATION INC

EIN: 23-6298104

Name of Bond	End of Year Book Value	End of Year Fair Market Value
JP MORGAN CHASE CO.	50,262	53,177
BANK OF AMERICA INTERNOTES	25,000	26,898
PRUDENTIAL FINANCIAL INC	20,689	20,996
WELLS FARGO & CO	0	0
ROYAL CARIBBEAN CRUISES SENIOR NOTE	0	0
FORD MOTOR CREDIT NOTES B/E SEMI SURV	20,000	20,115
UNITED STATES STEEL CORP SENIOR NOTE	23,926	26,688
WELLS FARGO CAPITAL XI ENH TRUST	0	0
BARCLAYS BANK PLC MED NOTE SURV CPN 4%	0	0
BARCLAYS BANK PLC MED NOTE SURV CPN 4%	0	0
ROYAL BANK OF SCOTLAND	0	0
ARCELORMITTAL SA LUXEMBOURG NOTE	29,879	30,405
CHIQUITA BRANDS	26,764	26,100
WYNDHAM WORLDWIDE	20,061	20,650
BANK AMERI CORP	50,818	50,200
GOLDMAN SACHS GROUP	25,161	24,980
WELLS FARGO & CO NEW DEP SHS	25,500	25,180

TY 2012 Investments Corporate
 Stock Schedule

Name: HUGHES FOUNDATION INC
 EIN: 23-6298104

Name of Stock	End of Year Book Value	End of Year Fair Market Value
AMERICAN HIGH INCOME TRUST	302,758	320,247
CAPITAL WORLD BOND FUND CLASS A	214,546	229,226
CAPITAL WORLD GROWTH AND INCOME FUND CL A	93,390	121,781
FUNDAMENTAL INVESTORS FD CL A	76,495	100,373
GROWTH FUND OF AMERICA CL A	35,341	40,975
MFS SER TRUST FD CL A	246,685	269,597
TELEPHONE AND DATA SYS PRD 6.625%	0	0
AMERICAN FUNDS MTG FUND CL A	135,000	137,248
INVESTMENT COMPANY OF AMERICA	0	0
ING MUT FD GLOBAL REAL ESTATE FUND	0	0
MFS BOND FUND	395,000	398,746
TOUCHSTONE FUNDS GROUP	124,390	123,165
AMERICAN FUNDS GLOBAL BALANCED FUND	27,646	29,038
DAVIS NEW YORK VENTURE FUND	38,920	37,806
HIGHLAND EQUITY OPPTYS FUND	0	0
INVESTMENT MANAGERS SER TR CNTR COAST	117,470	107,839
MFS SERIES TRUST X INTL DIVERSE FUND	0	0
POWERSHARES DB US DOLLAR INDEX TRUST	0	0
TELEPHONE AND DATA SYS INC 7%	0	0
FINANCIAL INVESTORS RIVERFRONT	35,356	35,574
FIRST TRUST MLP ENERGY	20,996	20,650
TOUCHSTONE SANDS CAPITAL SELECT	57,962	56,239
MFS DIVERSIFIED INCOME	100,081	103,839
TOUCHSTONE FUNDS SMALL CAP	107,596	120,309

TY 2012 Other Expenses Schedule

Name: HUGHES FOUNDATION INC

EIN: 23-6298104

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LOCKED POSTAL BOX	96	96		0
PA REGISTRATION	15	15		0
BOND RENEWAL PREMIUM	1,196	1,196		0

TY 2012 Other Income Schedule

Name: HUGHES FOUNDATION INC

EIN: 23-6298104

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
INCOME FROM PASSTHROUGH ENTITY	996	996	996

TY 2012 Substantial Contributors Schedule

Name: HUGHES FOUNDATION INC

EIN: 23-6298104

Name	Address
HUGHES CHARITABLE LEAD ANNUITY TRUST CO CLAIR HEISS HUGHES	130 MAPLE AVENUE STROUDSBURG, PA 18360

TY 2012 Taxes Schedule

Name: HUGHES FOUNDATION INC

EIN: 23-6298104

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FEDERAL ESTIMATED TAX	850	0		0