



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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 HEDCO FOUNDATION		A Employer identification number 23-7259742	
Number and street (or P O box number if mail is not delivered to street address) PO BOX 339		B Telephone number (see instructions) (925) 743-0257	
City or town, state, and ZIP code DANVILLE, CA 94526		C If exemption application is pending, check here <input type="checkbox"/>	
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>	
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 18,699,375	J Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) (Part I, column (d) must be on cash basis.)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (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 (attach schedule)	100,000			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	74	74		
	4 Dividends and interest from securities.	523,915	523,915		
	5a Gross rents				
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10	266,164			
	b Gross sales price for all assets on line 6a _____ 4,001,562				
	7 Capital gain net income (from Part IV , line 2)		266,164		
	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) 	125	0		
	12 Total. Add lines 1 through 11	890,278	790,153		
	13 Compensation of officers, directors, trustees, etc	77,868	7,787		70,081
	14 Other employee salaries and wages	2,275	228		2,047
	15 Pension plans, employee benefits	10,042	1,004		9,038
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) 	18,836	9,418		9,418
	c Other professional fees (attach schedule) 	64,118	60,910		3,208
	17 Interest				
	18 Taxes (attach schedule) (see instructions) 	17,044	0		0
	19 Depreciation (attach schedule) and depletion 	199	0		
	20 Occupancy	14,999	1,500		13,499
	21 Travel, conferences, and meetings	3,770	189		3,581
	22 Printing and publications	1,086	109		977
	23 Other expenses (attach schedule) 	5,405	59		5,346
	24 Total operating and administrative expenses.				
	Add lines 13 through 23	215,642	81,204		117,195
	25 Contributions, gifts, grants paid	2,742,851			2,280,728
	26 Total expenses and disbursements. Add lines 24 and 25	2,958,493	81,204		2,397,923
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-2,068,215			
	b Net investment income (if negative, enter -0-)		708,949		
	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	215,803	21,493	21,493
	2	Savings and temporary cash investments	854,233	898,059	898,059
	3	Accounts receivable ▶ <u>488</u>			
		Less allowance for doubtful accounts ▶ _____		488	488
	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	20,771	17,563	17,563
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	4,589,898 	3,482,390	3,482,390
	c	Investments—corporate bonds (attach schedule).			
	11	Investments—land, buildings, and equipment basis ▶ _____			
		Less accumulated depreciation (attach schedule) ▶ _____			
Liabilities	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	12,858,956 	14,154,426	14,154,426
	14	Land, buildings, and equipment basis ▶ <u>4,027</u>			
		Less accumulated depreciation (attach schedule) ▶ <u>4,027</u>	537 	0	0
	15	Other assets (describe ▶ _____)	 96,000 	124,956 	124,956 
	16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	18,636,198	18,699,375	18,699,375
	17	Accounts payable and accrued expenses	4,484	8,516	
	18	Grants payable	2,846,647	3,308,770	
	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 ▶ _____)	 39,723 	48,507	
Net Assets or Fund Balances	23	Total liabilities (add lines 17 through 22)	2,890,854	3,365,793	
		Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted	15,745,344	15,333,582	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see page 17 of the instructions)	15,745,344	15,333,582	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	18,636,198	18,699,375	

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	15,745,344
2	Enter amount from Part I, line 27a	2	-2,068,215
3	Other increases not included in line 2 (itemize) ▶ 	3	1,656,453
4	Add lines 1, 2, and 3	4	15,333,582
5	Decreases not included in line 2 (itemize) ▶ _____	5	0
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	15,333,582

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)
1 a	SALE OF INVESTMENTS	P		2012-12-31
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 4,001,562		3,735,398	266,164
b			
c			
d			
e			

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

(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a			266,164
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	266,164
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	5,348,645	20,392,862	0 262280
2010	2,202,894	22,515,517	0 097839
2009	2,955,334	21,791,090	0 135621
2008	3,811,461	27,795,403	0 137126
2007	12,733,312	33,215,800	0 383351

2 Total of line 1, column (d).	2	1 016217
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 203243
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5.	4	18,346,580
5 Multiply line 4 by line 3.	5	3,728,814
6 Enter 1% of net investment income (1% of Part I, line 27b).	6	7,089
7 Add lines 5 and 6.	7	3,735,903
8 Enter qualifying distributions from Part XII, line 4.	8	2,397,923

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 <input type="checkbox"/> and enter "N/A" on line 1			
		Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)			
b		Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	14,179
c		All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2		Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	0
3		Add lines 1 and 2.		3	14,179
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	14,179
6		Credits/Payments			
a		2012 estimated tax payments and 2011 overpayment credited to 2012	6a	15,044	
b		Exempt foreign organizations—tax withheld at source	6b		
c		Tax paid with application for extension of time to file (Form 8868)	6c	10,000	
d		Backup withholding erroneously withheld	6d		
7		Total credits and payments Add lines 6a through 6d.		7	25,044
8		Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached		8	
9		Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		9	
10		Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid.		10	10,865
11		Enter the amount of line 10 to be Credited to 2013 estimated tax <input type="checkbox"/> 10,865	Refunded <input type="checkbox"/>	11	0

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?		Yes	No
		1a		No
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)?	1b		No
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		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ _____ 0 (2) On foundation managers <input type="checkbox"/> \$ _____ 0			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____ 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		No
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		No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.	5		No
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	Yes	
7	Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> CA _____			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation .	8b	Yes	
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	9		No
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		No

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 ▶MARY GORIUP Telephone no ▶(925) 743-1925 Located at ▶370 DIABLO ROAD SUITE 205 DANVILLE CA ZIP +4 ▶94526			
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 checked="" type="checkbox"/> Yes <input 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		No
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

5b

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)?

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

6a

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

Yes

No

6b

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

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

No

7a

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

Yes

No

7b

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

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	17,891,227
b	Average of monthly cash balances.	1b	734,743
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	18,625,970
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	18,625,970
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	279,390
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	18,346,580
6	Minimum investment return. Enter 5% of line 5.	6	917,329

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	917,329
2a	Tax on investment income for 2012 from Part VI, line 5.	2a	14,179
b	Income tax for 2012 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	14,179
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	903,150
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	903,150
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	903,150

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	2,397,923
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	2,397,923
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	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	2,397,923
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				903,150
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only.			0	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2012				
a From 2007.	11,114,470			
b From 2008.	2,439,934			
c From 2009.	1,879,081			
d From 2010.	1,088,816			
e From 2011.	4,340,914			
f Total of lines 3a through e.	20,863,215			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 2,397,923				
a Applied to 2011, 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 2012 distributable amount.				903,150
e Remaining amount distributed out of corpus	1,494,773			
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	22,357,988			
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.				0
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). . .	11,114,470			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a.	11,243,518			
10 Analysis of line 9				
a Excess from 2008. . . .	2,439,934			
b Excess from 2009. . . .	1,879,081			
c Excess from 2010. . . .	1,088,816			
d Excess from 2011. . . .	4,340,914			
e Excess from 2012. . . .	1,494,773			

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 <i>Paid during the year</i> SEE ATTACHED C/O PO BOX 339 DANVILLE,CA 94526	NONE	PUBLIC CHARITIES	FUNDING FOR CAPITAL EXPENDITURES	2,280,728
Total  3a				2,280,728
b <i>Approved for future payment</i> SEE ATTACHED C/O PO BOX 339 DANVILLE,CA 94526	NONE	PUBLIC CHARITIES	FUNDING FOR CAPITAL EXPENDITURES	3,308,770
Total  3b				3,308,770

Enter gross amounts unless otherwise indicated

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

Form **990-PF** (2012)

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



[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

 Signature of officer or trustee 2013-11-15 Date  Title

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

Paid Preparer Use Only	Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed <input checked="checked" type="checkbox"/>	PTIN P00356034
	LYNN HENLEY	LYNN HENLEY			
	Firm's name <input type="checkbox"/>	ARMANINO LLP 12667 ALCOSTA BOULEVARD SUITE 500			Firm's EIN <input type="checkbox"/> 94-6214841
	Firm's address <input type="checkbox"/>	SAN RAMON, CA 945834427			Phone no (925) 790-2600

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
DOROTHY JERNSTEDT	PRESIDENT/DIRECTOR 2 00	0	0	0
PO BOX 339 DANVILLE,CA 94526				
DAVID DORNSIFE	CFO/DIRECTOR 2 00	0	0	0
PO BOX 339 DANVILLE,CA 94526				
RENA BRANTLEY	SECRETARY/DIRECTOR 2 00	0	0	0
PO BOX 339 DANVILLE,CA 94526				
DEREK JERNSTEDT	EXEC DIR 8 00	46,039	0	0
PO BOX 339 DANVILLE,CA 94526				
ALLEN DOBBINS	DIRECTOR 2 00	0	0	0
PO BOX 339 DANVILLE,CA 94526				
JAMES APPLETON	DIRECTOR 2 00	0	0	0
PO BOX 339 DANVILLE,CA 94526				
ROBERT LOWITZ MD	DIRECTOR 2 00	0	0	0
PO BOX 339 DANVILLE,CA 94526				
ROGER SCHWAB	DIRECTOR 2 00	0	0	0
PO BOX 339 DANVILLE,CA 94526				
TOM HERMAN	DIRECTOR 2 00	0	0	0
PO BOX 339 DANVILLE,CA 94526				
MARY GORIUP	FOUNDATION MANAGER 10 00	31,829	0	0
PO BOX 339 DANVILLE,CA 94526				

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 HEDCO FOUNDATION	Employer identification number 23-7259742
--	--

Organization type (check one)

Filers of:	Section:
Form 990 or 990-EZ	<input type="checkbox"/> 501(c)() (enter number) organization
	<input type="checkbox"/> 4947(a)(1) nonexempt charitable trust not treated as a private foundation
	<input type="checkbox"/> 527 political organization
Form 990-PF	<input checked="" type="checkbox"/> 501(c)(3) exempt private foundation
	<input type="checkbox"/> 4947(a)(1) nonexempt charitable trust treated as a private foundation
	<input type="checkbox"/> 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 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 HEDCO FOUNDATION	Employer identification number 23-7259742
---	---

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>	THE HERRICK CORPORATION 2000 CROW CANYON PLACE SUITE 360 SAN RAMON, CA 94583	\$ 100,000	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 HEDCO FOUNDATION	Employer identification number 23-7259742
---	---

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 HEDCO FOUNDATION	Employer identification number 23-7259742
--	--

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>	<div></div> <div></div> <div></div>	<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> <div></div> <div></div>	

(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>	<div></div> <div></div> <div></div>	<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> <div></div> <div></div>	

(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>	<div></div> <div></div> <div></div>	<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> <div></div> <div></div>	

(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>	<div></div> <div></div> <div></div>	<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> <div></div> <div></div>	

TY 2012 Accounting Fees Schedule

Name: HEDCO FOUNDATION

EIN: 23-7259742

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	18,836	9,418		9,418

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2012 Depreciation Schedule

Name: HEDCO FOUNDATION

EIN: 23-7259742

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
COPIER	2007-08-31	4,027	3,490	SL	6 0000000000000	199	0		

**TY 2012 Investments Corporate
Stock Schedule****Name:** HEDCO FOUNDATION**EIN:** 23-7259742

Name of Stock	End of Year Book Value	End of Year Fair Market Value
CORPORATE STOCK - DODGE & COX	3,482,390	3,482,390

TY 2012 Investments - Other Schedule**Name:** HEDCO FOUNDATION**EIN:** 23-7259742

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
DODGE & COX INCOME FUND - DODGE & COX	FMV	3,993,866	3,993,866
DODGE & COX INTERNATIONAL STOCK FUND - DODGE & COX	FMV	914,582	914,582
MUTUAL FUNDS - CAPITAL GUARDIAN	FMV	9,245,978	9,245,978

TY 2012 Land, Etc. Schedule

Name: HEDCO FOUNDATION

EIN: 23-7259742

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
COPIER	4,027	3,689	338	

TY 2012 Other Assets Schedule

Name: HEDCO FOUNDATION

EIN: 23-7259742

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
DUE FROM QUEST FOUNDATION	96,000	124,956	124,956

TY 2012 Other Expenses Schedule**Name:** HEDCO FOUNDATION**EIN:** 23-7259742

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
OFFICE SUPPLIES	591	0		591
POSTAGE AND POST OFFICE BOX	279	0		279
TELEPHONE	590	59		531
OTHER	376	0		376
INSURANCE	2,968	0		2,968
EQUIPMENT RENTAL & MAINTENANCE	601	0		601

TY 2012 Other Income Schedule

Name: HEDCO FOUNDATION

EIN: 23-7259742

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
LITIGATION SETTLEMENT	125		125

TY 2012 Other Increases Schedule

Name: HEDCO FOUNDATION

EIN: 23-7259742

Description	Amount
NET UNREALIZED GAINS	1,656,453

TY 2012 Other Liabilities Schedule

Name: HEDCO FOUNDATION

EIN: 23-7259742

Description	Beginning of Year - Book Value	End of Year - Book Value
DUE TO QUEST FOUNDATION	39,723	48,507

TY 2012 Other Professional Fees Schedule**Name:** HEDCO FOUNDATION**EIN:** 23-7259742

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
MANAGEMENT INVESTMENT FEES	60,910	60,910		0
OUTSIDE CONTRACT SERVICES	3,208	0		3,208

TY 2012 Taxes Schedule**Name:** HEDCO FOUNDATION**EIN:** 23-7259742

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXCISE TAX EXPENSE	13,010	0		0
FOREIGN TAX EXPENSE	4,034	0		0

HEDCO Foundation
23-7259742
FYE 12/31/12

Form 990-PF, Part II, Lines 10a-13
Summary Page

Line 10b - Corporate Stock		
Σ A		3,482,390
Line 13 - Other		
Σ B		14,154,426

HEDCO FOUNDATION AGENCY

Account Number: XXXX64700

Detailed Holdings List by Sector

As of December 31, 2012

Reporting Currency: USD

Description	Shares/ Par	Average Cost/ Unit	Total Cost	Current Price	Total Market Value	% of Total Net Assets	Unrealized Gain/(Loss)	Estimated Annual Income	Annual Yield(%)
Cash and Cash Equivalents									
SSGA US GOV MONEY MARKET FUND	191,077	1.00	191,077	1.00	191,077	2.0	0	0	0.0
Total Cash and Cash Equivalents			191,077		191,077	2.0	0	0	0.0
Fixed Income									
MUTUAL FUNDS									
INTERMEDIATE BOND FUND OF AMERICA CL F2	73,156	12.75	932,701	13.76	1,006,631	10.7	73,930	19,693	2.0
TOTAL MUTUAL FUNDS			932,701		① 1,006,631	10.7	73,930	19,693	2.0
Total Fixed Income			932,701		1,006,631	10.7	73,930	19,693	2.0
Equity									
MUTUAL FUNDS									
AMERICAN BALANCED FUND CL F2	187,847	17.34	3,257,573	20.39	3,830,191	40.6	572,619	79,910	2.1
CAPITAL INCOME BUILDER CL F2	64,520	49.61	3,200,737	52.74	3,402,800	36.1	202,063	131,647	3.9
FUNDAMENTAL INVESTORS CL F2	24,684	32.41	800,000	40.77	1,006,356	10.7	206,356	14,712	1.5
TOTAL MUTUAL FUNDS			7,258,310		① 8,239,347	87.3	981,038	226,269	2.7
Total Equity			7,258,310		8,239,347	87.3	981,038	226,269	2.7
Total Net Assets			8,382,088		9,437,056	100.0	1,054,968	245,962	2.6

① = 9,245,978 TR ②



HEDCO FOUNDATION
ACCOUNT NUMBER: 6731011900Page 5 of 17
Period from December 1, 2012 to December 31, 2012**ASSET DETAIL****Security Description**

Shares/Face Amt	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Annual Income	Estimated Current Yield
Cash & Equivalents							
Cash/Money Market							
Highmark US Govt Mmkt Fid - 431114701							
295,990 750	1 0000	295,990.75	295,990 75	0.00	3 4	12 25	0.00
Total Cash/Money Market		\$295,990.75	\$295,990.75	\$0.00	3.4	\$12.25	
Total Cash & Equivalents		\$295,990.75	\$295,990.75	\$0.00	3.4	\$12.25	
Taxable Bonds							
Fixed Income Funds							
Dodge & Cox Income Fd - DODIX #147							
230,632 163	13.8600	3,196,561 78	2,843,433 03	353,128 75	36 8	111,625 97	3 49
Total Fixed Income Funds		② \$3,196,561.78	\$2,843,433.03	\$353,128.75	36.8	\$111,625.97	
Total Taxable Bonds		\$3,196,561.78	\$2,843,433 03	\$353,128.75	36.8	\$111,625.97	

Stocks**Common Stocks**

Adobe Sys Inc - ADBE							
1,200 000	37 6800	45,216 00	34,854 08	10,361 92	0 5	0 00	0 00
Aol Inc - AOL							
642 000	29.6100	19,009 62	17,606 38	1,403 24	0 2	0.00	0 00
B M C Software Inc - BMC							
1,000 000	39 6200	39,620 00	23,545 82	16,074 18	0 5	0 00	0 00

HEDCO FOUNDATION
ACCOUNT NUMBER. 6731011900Page 6 of 17
Period from December 1, 2012 to December 31, 2012**ASSET DETAIL (continued)**

Security Description	Shares/Face Amt	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Annual Income	Estimated Current Yield
Baker Hughes Inc - BHI	1,500 000	40 8477	61,271 55	51,482 44	9,789 11	0 7	900 00	1 47
Bank Of America Corp - BAC	10,000 000	11 6100	116,100 00	90,292 83	25,807 17	1 3	400 00	0 34
Bank Of New York Mellon Corp - BK	4,500 000	25.7000	115,650 00	123,068 71	-7,418.71	1 3	2,340 00	2 02
Bbt Corp - BBT	1,500 000	29.1100	43,665 00	34,147 50	9,517.50	0 5	1,200 00	2 75
Boston Scientific Corp - BSX	6,500 000	5 7300	37,245.00	70,004 08	-32,759 08	0 4	0 00	0 00
Cadence Design Sys Inc - CDNS	1,700 000	13.5100	22,967.00	14,005 55	8,961 45	0 3	0.00	0 00
Capital One Financial Corp - COF	3,100 000	57 9300	179,583 00	205,038 48	-25,455 48	2 1	620.00	0 34
Carmax Inc - KMX	800 000	37 5400	30,032 00	17,092 73	12,939 27	0 3	0 00	0 00
Celanese Corp Ser A - CE	700 000	44 5300	31,171 00	30,126 40	1,044.60	0 4	210 00	0 67
Chevron Corporation - CVX	461 000	108 1400	49,852 54	20,537 55	29,314 99	0 6	1,659 60	3 33
Comcast Corp Cl A - CMCSA	4,798 000	37 3600	179,253 28	84,291 48	94,961 80	2 1	3,118 70	1.74
Computer Sciences Corp - CSC	1,200 000	40.0500	48,060 00	38,220 05	9,839 95	0 6	960 00	2 00
Compuware Corp - CPWR	2,000 000	10.8700	21,740 00	9,261 22	12,478.78	0 3	0 00	0 00
Corning Inc - GLW	2,400 000	12 6200	30,288 00	29,842 50	445 50	0 3	864 00	2 85



HEDCO FOUNDATION
ACCOUNT NUMBER: 6731011900

Page 7 of 17
Period from December 1, 2012 to December 31, 2012

ASSET DETAIL (continued)

Security Description	Shares/Face Amt	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Annual Income	Estimated Current Yield
Dish Network Corp Cl A - DISH	1,000 000	36 4000	36,400 00	24,907 32	11,492 68	0 4	0.00	0 00
Dow Chem Co - DOW	2,400 000	32.3294	77,590 56	68,991.70	8,598.86	0 9	3,072 00	3 96
E Bay Inc - EBAY	1,200 000	50 9977	61,197 24	16,878 50	44,318 74	0 7	0 00	0 00
Fed Ex Corp - FDX	1,200 000	91.7200	110,064 00	85,250 33	24,813 67	1 3	672 00	0 61
General Electric Co - GE	7,300 000	20 9900	153,227 00	126,551 22	26,675 78	1 8	5,548.00	3 62
Goldman Sachs Group Inc - GS	700.000	127 5600	89,292 00	69,954 88	19,337 12	1 0	1,400 00	1 57
Hewlett Packard Co - HPQ	7,748 000	14 2500	110,409 00	167,725 44	-57,316 44	1 3	4,090 94	3 70
J C Penney Co Inc - JCP	1,400 000	19.7100	27,594 00	32,659 07	-5,065.07	0 3	0 00	0 00
Liberty Global Inc Cl A - LBTYA	200.000	62 9600	12,592 00	7,516.38	5,075 62	0 1	0 00	0 00
Liberty Global Inc Ser C - LBTYK	200 000	58 7500	11,750 00	7,113 88	4,636 12	0 1	0 00	0 00
Liberty Interactive Corporation - LINTA	1,975 000	19.6800	38,868 00	4,118 28	34,749 72	0 4	0 00	0 00
Maxim Integrated Prods Inc - MXIM	1,150 000	29 4000	33,810 00	17,288 06	16,521 94	0 4	1,104 00	3 26
Medtronic Inc - MDT	900.000	41 0200	36,918 00	32,451 52	4,466 48	0 4	936.00	2 53
Merck and Co Inc New - MRK	3,600 000	40.9400	147,384 00	106,512.43	40,871 57	1 7	6,192 00	4 20


HEDCO FOUNDATION
ACCOUNT NUMBER: 6731011900

Page 8 of 17
Period from December 1, 2012 to December 31, 2012

ASSET DETAIL (continued)								
Security Description	Shares/Face Amt	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Annual Income	Estimated Current Yield
Microsoft Corp - MSFT	4,200 000	26 7097	112,180 74	107,620 25	4,560 49	1 3	3,864 00	3 44
Molex Inc - MOLXA CIA	1,300 000	22 3200	29,016 00	20,422 98	8,593 02	0 3	1,144 00	3 94
Netapp Inc - NTAP	1,700 000	33 5500	57,035 00	55,838 66	1,196 34	0 7	0 00	0 00
News Corp Inc CIA - NWSA	4,300 000	25 5100	109,693 00	69,129 05	40,563 95	1 3	731 00	0 67
Occidental Petroleum Corporation - OXY	1,100 000	76 6100	84,271 00	24,000 77	60,270 23	1 0	2,376 00	2 82
Pfizer Inc - PFE	5,080,000	25 0793	127,402 84	86,744 25	40,658 59	1 5	4,876 80	3 83
Schwab Charles Corp - SCHW	6,000,000	14.3600	86,160 00	97,892 29	-11,732 29	1 0	1,440 00	1 67
Sprint Nextel Corp - S	18,000 000	5 6700	102,060 00	52,395.44	49,664 56	1 2	0 00	0 00
Suntrust Bks Inc - STI	1,500 000	28 3500	42,525 00	28,816 57	13,708 43	0 5	300 00	0 70
Symantec Corp - SYMC	3,800,000	18 8200	71,516 00	51,798.70	19,717 30	0 8	0.00	0 00
Synopsys Inc - SNPS	1,400 000	31 8354	44,569 56	31,588.33	12,981 23	0 5	0 00	0 00
The Adt Corporation - ADT	400 000	46.4900	18,596 00	10,368.85	8,227 15	0 2	200.00	1 08
Time Warner Cable Inc - TWC	973,000	97 1900	94,565 87	40,238.22	54,327 65	1 1	2,179 52	2 30
Time Warner Inc - TWX	2,866 000	47.8300	137,080 78	78,233 49	58,847 29	1 6	2,980 64	2 17



HEDCO FOUNDATION
ACCOUNT NUMBER: 6731011900

Page 9 of 17
Period from December 1, 2012 to December 31, 2012

ASSET DETAIL (continued)

Security Description

	Shares/Face Amt	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Annual Income	Estimated Current Yield
Vulcan Materials Co - VMC	1,100 000	52 0500	57,255 00	59,567 86	-2,312 86	0 7	44 00	0 08
Wal Mart Stores Inc - WMT	1,100,000	68 2300	75,053 00	47,983 82	27,069 18	0 9	1,749 00	2 33
Wells Fargo Co - WFC	4,811 000	34 1800	164,439 98	112,470 15	51,969 83	1 9	4,233 68	2 57
Xerox Corp - XRX	7,500 000	6.8200	51,150 00	58,084 89	-6,934 89	0 6	1,275 00	2 49
Total Common Stocks			\$3,482,389.56	\$2,694,531.38	\$787,858.18	40.1	\$62,680.88	

Foreign Stocks

Aegon N V Ny Reg Shr - AEG
Repstg 1 Dutch Shr

6,359 000 6 4400 40,951 96 86,446 90 -45,494 94 0 5 1,348 11 3 29

Glaxo Smithkline P L C A D R - GSK
Repstg 2 Ord Shs

2,900 000 43 4700 126,063 00 121,476 87 4,586 13 1 5 6,725 10 5 33

Hsbc Holdings Plc Spons A D R - HBC
Repstg 5 Ord Shs

759,000 53.0700 40,280.13 37,035 18 3,244 95 0 5 1,897.50 4 71

Nokia Corp Spisd A D R - NOK
Repstg 1 Sh

4,300 000 3 9500 16,985 00 39,370 50 -22,385 50 0 2 761.10 4 48

Novartis Ag A D R - NVS
Repstg 1 Ord Sh

2,100 000 63.3000 132,930 00 113,703 42 19,226 58 1 5 4,422 60 3 33

Panasonic Corp A D R - PC
Repstg 1 Ord Sh

2,500 000 6 0700 15,175 00 32,448 49 -17,273 49 0 2 137 50 0 91

HEDCO FOUNDATION
ACCOUNT NUMBER. 6731011900Page 10 of 17
Period from December 1, 2012 to December 31, 2012**ASSET DETAIL (continued)****Security Description**

	Shares/Face Amt	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Annual Income	Estimated Current Yield
Philips Electronics Ny Shr - PHG Repstg 1 Ord Sh	800 000	26 5400	21,232 00	16,488 48	4,743 52	0 2	640 80	3 02
Roche Hldg Ltd A D R - RHBY Repstg 25 Cert	1,900 000	50 5000	95,950 00	69,017 10	26,932 90	1 1	2,929 80	3 05
Sanofi A D R - SNY Repstg 5 Ord Shs	3,181 000	47 3800	150,715 78	119,846 85	30,868 93	1 7	4,552 01	3 02
Schlumberger Ltd - SLB	1,650 000	69 2986	114,342 69	76,823 25	37,519 44	1 3	1,815 00	1 59
Te Connectivity Ltd - TEL	1,800 000	37 1200	66,816 00	42,711 83	24,104 17	0 8	1,512 00	2 26
Tyco International Ltd - TYC	800.000	29.2500	23,400 00	15,854 68	7,545 32	0 3	480 00	2 05
Unilever Plc Spnd Adr - UL	500 000	38 7200	19,360 00	18,727 50	632 50	0 2	613 00	3 17
Vodafone Group Plc A D R - VOD Repstg 10 Ord Sh	2,000 000	25 1900	50,380 00	39,788 92	10,591 08	0 6	3,000 00	5 95
Total Foreign Stocks			\$914,581.56	\$829,739.97	\$84,841.59	10.5	\$30,834.52	

HEDCO FOUNDATION
ACCOUNT NUMBER. 6731011900Page 11 of 17
Period from December 1, 2012 to December 31, 2012**ASSET DETAIL (continued)**

Security Description	Shares/Face Amt	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Annual Income	Estimated Current Yield
Equity Funds								
Dodge & Cox International Stock Fund - DODFX #1048	23,016 883	34 6400	797,304 83	877,375 01	-80,070 18	9 2	17,193 61	2 16
Total Equity Funds			② \$797,304.83	\$877,375.01	-\$80,070.18	9.2	\$17,193.61	
Total Stocks			\$5,194,275.95	\$4,401,646.36	\$792,629.59	59.8	\$110,709.01	
Total Assets			\$8,686,828.48	\$7,541,070.14	\$1,145,758.34	100.0	\$222,347.23	

Estimated Current Yield

2.55

①② = 3,993,866 TR ③

ASSET DETAIL MESSAGES

Time of trade execution and trading party (if not disclosed) will be provided upon request.

Publicly traded assets are valued in accordance with market quotations or valuation methodologies from financial industry services believed by us to be reliable. Assets that are not publicly traded may be reflected at values from other external sources. Assets for which a current value is not available may be reflected at a previous value or as not valued, at par value, or at a nominal value. Values shown do not necessarily reflect prices at which assets could be bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation.

Cost adjustments made to previously reported sales to reflect the impact of IRS wash sale rules may result in adjustments to reported year-to-date losses. Consequently, this period's beginning cost basis may differ from the basis reported in the prior period. The gain and loss figures reported on this statement are provided for informational purposes only and should not be used for tax reporting purposes. Please consult with your tax or legal advisor for questions concerning your personal tax or financial situation.

HEDCO FOUNDATION					Form 990-PF, Part I, Line 25		
EIN: 23-7259742					Form 990-PF, Part XV, Line 3a		
Tax Year Ended 12/31/12					Form 990-PF, Part XV, Line 3b		
	Grant Number	Grants Payable 12/31/2011	Grants Authorized in 2012	Grant Adjustments	Grants Paid in 2012	Grants Payable 12/31/2012	Notes
Westmont College	4475	130,000		(3,108)	126,892	-	
Oakland Zoo	4478	100,000		(6,668)	93,332	-	
Shepherd's Gate, Livermore, CA	4488	42,700				42,700	
YWCA of Greater Portland, Portland, OR	4521	39,162		(7,440)	31,722	-	
Magnolia Women's Recovery Services	4528	15,385		(95)	15,290	(0)	
Clinic by the Bay	4553	3,500		(3,500)		(0)	grant closed
Oregon Health & Science University Fdn	4560	322,678			161,192	161,486	Mary shows \$161,220
Family Violence Prevention Fund	4561	196,590			184,229	12,361	
Lighthouse Ministries	4562	5,700			5,700	-	
Vision House	4587	71,849			71,849	-	
Hope 4 The Heart	4592	50,000			50,000	-	
Health Trust	4596	10,587		(3,045)	7,543	-	
Prevention Int'l No Cervical Cancer	4597	46,880			46,880	-	
Redlands Community Music Association	4602	206,519			206,519	-	
Project Open Hand	4604	83,000			83,000	-	
La Clinica de la Raza	4612	226,632		(35,423)	191,209	-	grant closed
Diocese of Oakland	4615	33,988		(9,373)	24,615	-	
ChristieCare	4618	69,900				69,900	
Volunteers of America Bay Area	4619	52,000		(52,000)		-	rec'd letter stating project not going forward
Northern Light School	4620	51,200			51,200	-	
Futures Explored	4621	8,132			8,132	-	
Veterans Memorial Bldg Dev. Committee	4626	54,930			54,930	0	
LifeLong Medical Care	4639	215,975				215,975	
Lucile Packard Fdn for Children's Health	4640	750,000				750,000	
3rd Street Youth Center and Clinic	4642	34,340			6,681	27,659	
Lincoln Child Center	4647	25,000		(25,000)		-	rescinded
CPMC Foundation	4520		150,000		150,000	-	
Aspire Public Schools	4545		99,744		99,744	-	
Children's Hospital & Research Ctr Fdn	4591		247,670		247,670	-	
The Creek A Middle School Youth Center	4606		25,000		25,000	-	
The Salvation Army	4644		50,000			50,000	
Macdonald Center	4645		235,000		207,375	27,625	
Sequoia Hospital Foundation	4649		500,000			500,000	
Blanchet House of Hospitality	4659		125,000			125,000	
Love-A-Child Missions	4661		26,500		5,794	20,706	
Redwood Empire Food Bank	4664		100,000			100,000	
Loma Linda Univ. Medical Center	4666		250,000			250,000	
Pleasant Hill Recreation & Park	4669		64,170			64,170	
Family Emergency Shelter	4670		3,700			3,700	
YMCA of the East Valley	4671		100,000			100,000	
Cancer Support Community S F	4672		40,000			40,000	

HEDCO FOUNDATION				Form 990-PF, Part I, Line 25			
EIN: 23-7259742				Form 990-PF, Part XV, Line 3a			
Tax Year Ended 12/31/12				Form 990-PF, Part XV, Line 3b			
	Grant Number	Grants Payable 12/31/2011	Grants Authorized in 2012	Grant Adjustments	Grants Paid in 2012	Grants Payable 12/31/2012	Notes
Children's Vision First	4673		15,000		5,263	9,737	
Saint Francis Foundation	4674		86,739			86,739	
Saint Martin de Porres	4675		32,581			32,581	
Girls Incorporated of Alameda Cty	4676		99,000			99,000	
OPARC	4677		50,000			50,000	
Contra Costa Interfaith Housing	4678		70,000			70,000	
Holy Names University	4679		23,100			23,100	
Holy Family Day Home	4680		18,969		18,969	-	
Habitat for Humanity East Bay	4681		66,384			66,384	
Wheelchair Foundation	4682		36,400			36,400	
East Bay Asian Youth Center	4683		15,000			15,000	
Berkeley Public Library Foundation	4684		50,000			50,000	
Eden Medical Center Foundation	4685		50,000			50,000	
The Dougy Center	4686		100,000		100,000	-	
A Home Within	4689		4,530			4,530	
Eskaton Foundation	4692		38,218			38,218	
Providence Cancer Center	4694		55,000			55,000	match was met
Loaves and Fishes of Contra Costa	4698		37,263			37,263	
Alameda County Library Foundation	4700		23,535			23,535	
						-	
			2,888,503	(145,652)			
	¹	2,846,646		2,742,851	2,280,728	3,308,769	
	²	2,846,647	³	2,742,851			
	diff	(1 11)		(0)			
	¹	Per PBC Schedule Form 990-PF 2011					
	²	Per prior year F/S					
	³	CY grant expense per QB G/L					