



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

, and ending

Name of foundation LOCKHART VAUGHAN FOUNDATION, INC.		A Employer identification number 52-1693184
Number and street (or P O box number if mail is not delivered to street address) C/O J.B. POWELL, JR., 2 EAST READ ST	Room/suite 100	B Telephone number (410) 837-9400
City or town, state, and ZIP code BALTIMORE, MD 21202		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) \$ 31,733,811. (Part I, column (d) must be on cash basis)	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities		642,152.	642,152.		STATEMENT 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		553,954.			
b Gross sales price for all assets on line 6a 3,728,015.					
7 Capital gain net income (from Part IV, line 2)			553,954.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income		446.	446.		STATEMENT 2
12 Total. Add lines 1 through 11		1,196,552.	1,196,552.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages		8,750.	0.		8,750.
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees STMT 3		7,650.	0.		7,650.
c Other professional fees					
17 Interest					
18 Taxes STMT 4		8,654.	0.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings		1,541.	0.		1,541.
22 Printing and publications					
23 Other expenses STMT 5		122,769.	104,093.		18,676.
24 Total operating and administrative expenses. Add lines 13 through 23		149,364.	104,093.		36,617.
25 Contributions, gifts, grants paid		1,528,825.			1,528,825.
26 Total expenses and disbursements. Add lines 24 and 25		1,678,189.	104,093.		1,565,442.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		<481,637.>			
b Net investment income (if negative, enter -0-)			1,092,459.		
c Adjusted net income (if negative, enter -0-)				N/A	

223501
12-05-12

LHA For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2012)

SCANNED AUG 22 2013

9/4
10

Part II Balance Sheets		Beginning of year (a) Book Value	End of year	
			(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing		77,002.	77,002.
	2 Savings and temporary cash investments	466,681.	256,458.	256,458.
	3 Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶ Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations STMT 6	4,580,424.	3,440,152.	4,056,833.
	b Investments - corporate stock STMT 7	7,492,285.	6,846,973.	10,130,843.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment: basis ▶ Less: accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 8	14,018,315.	15,455,483.	17,212,675.
Liabilities	14 Land, buildings, and equipment: basis ▶ Less: accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers)	26,557,705.	26,076,068.	31,733,811.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	26,557,705.	26,076,068.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	0.	0.	
	30 Total net assets or fund balances	26,557,705.	26,076,068.	
	31 Total liabilities and net assets/fund balances	26,557,705.	26,076,068.	

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	26,557,705.
2 Enter amount from Part I, line 27a	2	<481,637.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	26,076,068.
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	26,076,068.

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 PUBLICLY TRADED SECURITIES	P		
b VANGUARD INSTITUTIONAL INDEX FUND	P	VARIOUS	VARIOUS
c VANGUARD TOTAL BOND MARKET INDEX FUND	P	VARIOUS	VARIOUS
d HARDING LOEVNER INTERNATIONAL	P	VARIOUS	VARIOUS
e VANGUARD IPS	P	VARIOUS	VARIOUS

(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 848,015.		790,614.	57,401.
b 1,050,000.		726,470.	323,530.
c 1,375,000.		1,165,531.	209,469.
d 380,000.		429,616.	<49,616.>
e 75,000.		61,830.	13,170.

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			57,401.
b			323,530.
c			209,469.
d			<49,616.>
e			13,170.

2 Capital gain net income or (net capital loss)	<div> <div>If gain, also enter in Part I, line 7</div> <div>If (loss), enter -0- in Part I, line 7</div> </div>	2	553,954.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):	<div> <div>If gain, also enter in Part I, line 8, column (c).</div> <div>If (loss), enter -0- in Part I, line 8</div> </div>	3	N/A

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

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

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

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

☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year; see 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	1,612,114.	30,449,906.	.052943
2010	1,526,634.	30,356,669.	.050290
2009	1,299,675.	27,091,675.	.047973
2008	1,617,450.	30,891,336.	.052359
2007	1,826,187.	36,421,868.	.050140

2 Total of line 1, column (d)	2	.253705
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	.050741
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	30,433,960.
5 Multiply line 4 by line 3	5	1,544,250.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	10,925.
7 Add lines 5 and 6	7	1,555,175.
8 Enter qualifying distributions from Part XII, line 4	8	1,565,442.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	10,925.
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	10,925.
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	10,925.
6 Credits/Payments:			
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	16,000.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	9,000.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	25,000.	
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	14,075.	
11 Enter the amount of line 10 to be: Credited to 2013 estimated tax <input checked="" type="checkbox"/> 14,075. Refunded <input type="checkbox"/>	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" 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 checked="" 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.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
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.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> MD		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	13	X	
14	The books are in care of ► <u>JOHN B. POWELL, JR.</u> Telephone no. ► <u>(410) 837-9400</u> Located at ► <u>2 EAST READ ST SUITE 100, BALTIMORE, MD</u> ZIP+4 ► <u>21202</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year ► 15 <u>N/A</u>			
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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	16	Yes	No X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input 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 instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	1b	X
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	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? If "Yes," list the years ► _____, _____, _____	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	N/A	2b
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____, _____, _____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 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? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2012.)	N/A	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?	4b	X

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

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

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

N/A

Organizations relying on a current notice regarding disaster assistance check here

☒

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

N/A

☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

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

If "Yes" to 6b, file Form 8870

6b

X

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

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

N/A

7b

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 9		0.	0.	0.

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

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

Total number of other employees paid over \$50,000

0

Form 990-PF (2012)

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services

0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0.

Form 990-PF (2012)

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	30,366,825.
b	Average of monthly cash balances	1b	530,596.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	30,897,421.
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	30,897,421.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	463,461.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	30,433,960.
6	Minimum investment return. Enter 5% of line 5	6	1,521,698.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	1,521,698.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	10,925.
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	10,925.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,510,773.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,510,773.
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	1,510,773.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	1,565,442.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,565,442.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	10,925.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,554,517.

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				1,510,773.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			225,865.	
b Total for prior years:		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: ► \$ 1,565,442.				
a Applied to 2011, but not more than line 2a			225,865.	
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				1,339,577.
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 instr.			0.	
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				171,196.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7	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 XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
SEE ATTACHED STATEMENT 10				1,528,825.
Total			▶ 3a	1,528,825.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	1
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
ABERDEEN EMERGING MARKETS	36,051.	0.	36,051.
DOUBLELINE TR BOND	43,208.	0.	43,208.
HARDING LOEVNER INTERNATIONAL EQUITY PORTFOLIO	24,342.	0.	24,342.
MERCANTILE MONEY MARKET FUND	76.	0.	76.
MERCANTILE STOCKS	19,693.	0.	19,693.
PIMCO COMMODITIES	15,932.	0.	15,932.
T. ROWE PRICE NEW ERA FUND	46,773.	0.	46,773.
VANGUARD BOND MARKET INDEX FUND	154,836.	0.	154,836.
VANGUARD INSTITUTIONAL INDEX FUND	187,921.	0.	187,921.
VANGUARD INTERNATIONAL VALUE	76,782.	0.	76,782.
VANGUARD IPS	36,538.	0.	36,538.
TOTAL TO FM 990-PF, PART I, LN 4	642,152.	0.	642,152.

FORM 990-PF	OTHER INCOME	STATEMENT	2
DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
CLASS ACTION PROCEEDS SETTLEMENT	446.	446.	
TOTAL TO FORM 990-PF, PART I, LINE 11	446.	446.	

FORM 990-PF	ACCOUNTING FEES			STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
ACCOUNTING FEES	7,650.	0.		7,650.	
TO FORM 990-PF, PG 1, LN 16B	7,650.	0.		7,650.	

FORM 990-PF	TAXES			STATEMENT	4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FEDERAL INCOME TAX PAYMENTS	8,654.	0.		0.	
TO FORM 990-PF, PG 1, LN 18	8,654.	0.		0.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
INVESTMENT CONSULTING FEES	77,120.	77,120.		0.	
SUBSCRIPTIONS & DUES	300.	0.		300.	
OFFICE EXPENSES	18,376.	0.		18,376.	
INVESTMENT EXPENSES	13,008.	13,008.		0.	
CUSTODIAN FEES	13,965.	13,965.		0.	
TO FORM 990-PF, PG 1, LN 23	122,769.	104,093.		18,676.	

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS			STATEMENT	6
DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE	
VANGUARD BOND INDEX FUND	X		3,440,152.	4,056,833.	
TOTAL U.S. GOVERNMENT OBLIGATIONS			3,440,152.	4,056,833.	
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS					
TOTAL TO FORM 990-PF, PART II, LINE 10A			3,440,152.	4,056,833.	

FORM 990-PF	CORPORATE STOCK	STATEMENT	7
-------------	-----------------	-----------	---

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
MERCANTILE STOCKS - STMT 12	1,242,050.	1,561,205.
VANGUARD INSTITUTIONAL INDEX FUND	5,604,923.	8,569,638.
TOTAL TO FORM 990-PF, PART II, LINE 10B	6,846,973.	10,130,843.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	8
-------------	-------------------	-----------	---

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
ABERDEEN EMERGING MARKETS	COST	1,066,831.	1,931,460.
HARDING LOEVNER INTERNATIONAL	COST	5,695,635.	5,900,485.
PIMCO COMMODITIES REAL RETURN	COST	507,735.	435,342.
T. ROWE PRICE NEW ERA FUND	COST	971,654.	1,116,393.
VANGUARD IPS	COST	813,628.	971,249.
WEATHERLOW OFFSHORE FUND	COST	5,150,000.	5,596,615.
DOUBLELINE TOTAL RETURN BOND	COST	1,250,000.	1,261,131.
TOTAL TO FORM 990-PF, PART II, LINE 13		15,455,483.	17,212,675.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS STATEMENT 9
TRUSTEES AND FOUNDATION MANAGERS

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
SUSAN BAKER POWELL 2 EAST READ ST. STE 100 BALTIMORE, MD 21202	PRESIDENT/TRUSTEE 0.00	0.	0.	0.
JULIA B. SCHNUPP 2 EAST READ ST. STE 100 BALTIMORE, MD 21202	TRUSTEE 0.00	0.	0.	0.
BENJAMIN M. BAKER, III 2 EAST READ ST. STE 100 BALTIMORE, MD 21202	TRUSTEE 0.00	0.	0.	0.
JULIA P. O'BRIEN 2 EAST READ ST. STE 100 BALTIMORE, MD 21202	TRUSTEE 0.00	0.	0.	0.
BRENTNALL M. POWELL 2 EAST READ ST. STE 100 BALTIMORE, MD 21202	TRUSTEE 0.00	0.	0.	0.
KEVIN A. SCHNUPP 2 EAST READ ST. STE 100 BALTIMORE, MD 21202	TRUSTEE 0.00	0.	0.	0.
DAVID B. POWELL 2 EAST READ ST. STE 100 BALTIMORE, MD 21202	TRUSTEE 0.00	0.	0.	0.
KATE R. POWELL 2 EAST READ ST. STE 100 BALTIMORE, MD 21202	TRUSTEE 0.00	0.	0.	0.
MARY ETHELTON 2 EAST READ ST. STE 100 BALTIMORE, MD 21202	TRUSTEE 0.00	0.	0.	0.
JOHN B. POWELL, JR 2 EAST READ ST. STE 100 BALTIMORE, MD 21202	SECRETARY/TREASURER 15.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

LOCKHART VAUGHAN FOUNDATION, INC.**52-1693184****CHRONOLOGICAL LIST OF GRANTS - 2012**

	<u>ORGANIZATION</u>	<u>PURPOSE</u>	<u>AMOUNT</u>
1/9/12	Association of Baltimore Area Grantmakers 2 East Read Street, 8th Floor Baltimore, MD 21202	Community Development: Educational programs and "best practices" for Baltimore area foundations.	\$4,200
1/9/12	Baltimore Efficiency & Economy Foundation, Inc. Karen M. Footner 335 Homeland Southway, 2B Baltimore, MD 21212	Community Development: Study of non-profits and real estate taxes.	10,000
2/2/12	Open Society Institute – Baltimore 201 North Charles Street – Suite 1300 Baltimore, MD 21201	Community Development: Drug Addiction Treatment Program.	50,000
2/2/12	Roland Park Country School 5204 Roland Avenue Baltimore, MD 21210	Environment: Installation of solar photovoltaic system.	75,000
2/6/12	Monarch Academy, Children's Guild, fiscal agent 6802 McClean Blvd Baltimore, MD 21234-7260	Education: Facilities grant for Monarch Academy charter school.	20,000
2/8/12	i3 - Exceptional Coaching for Early Language and Literacy - Enhanced (ExCELL-E): Refining an Effective, Research-Based Teacher Professional Development. Johns Hopkins University/CSOS c/o Barbara Wasik 2701 N. Charles Street, Suite 300 Baltimore, MD 21218	Education: Early language and literacy teacher training.	23,900
4/18/12	Parks & People Foundation Stieff Silver Building 800 Wyman Park Drive - Suite 010 Baltimore, MD 21211	Education: SuperKids Camp summer learning.	20,000
4/18/12	Baltimore Urban Debate League 2601 North Howard Street, Suite 150 Baltimore, MD 21218	Education: Fostering debating in schools.	30,000

	<u>ORGANIZATION</u>	<u>PURPOSE</u>	<u>AMOUNT</u>
4/18/12	Enterprise Community Partners, Inc. 312 N. Martin Luther King Jr. Boulevard Third Floor Baltimore, MD 21201	Education: "HIPPO" Program for early language and literacy.	20,000
4/18/12	Gilman School 5407 Roland Avenue Baltimore, MD 21210	Education: Baltimore Independent School Learning Camp – summer learning for public school children.	5,000
4/18/12	Middle Grades Partnership, Baltimore Community Foundation, fiscal agent 800 Wyman Park Drive, Suite 110 Stieff Silver Building Baltimore, MD 21211	Education: Middle Grades Partnership – summer learning for middle grade children.	30,000
4/18/12	Maryland Nonprofits 1500 Union Avenue, Suite 2500 Baltimore, MD 21211	Community Development: Technical assistance to Maryland nonprofits.	10,000
4/18/12	St. Vincent de Paul of Baltimore 2305 N. Charles Street, Suite 300 Baltimore, MD 21218	Education: "Learn to Earn" jobs training program in Park Heights.	30,000
4/18/12	American Logistics Aid Network Mr. John T. Menzies 1324 Kinloch Circle Arnold, MD 21012	Disaster relief.	50,000
4/18/12	Dyslexia Tutoring Program 711 W. 40 th Street, Suite 310 Baltimore, MD 21211	Education: Tutoring for children with dyslexia.	15,000
4/18/12	Baltimore Expanded Summer Reading Camp, The Family League of Baltimore City, fiscal agent 2305 N. Charles Street, Suite 200 Baltimore, MD 21218	Education: Summer learning in public schools.	25,000
4/18/12	St. Paul's School 11152 Falls Road/PO Box 8100 Brooklandville, MD 21022-8100	Education: "Bridges" summer learning program.	19,500

	<u>ORGANIZATION</u>	<u>PURPOSE</u>	<u>AMOUNT</u>
4/18/12	SEED School of Maryland 200 Font Hill Avenue Baltimore, MD 21223	Education: Operating expenses for Baltimore SEED boarding school.	30,000
4/18/12	Children's Scholarship Fund Baltimore, Inc. 1000 St. Paul Street Baltimore, MD 21202	Education: Scholarship assistance for Baltimore families.	40,000
4/18/12	Urban Teacher Center 1500 Union Avenue, Suite 2200 Baltimore, MD 21211	Education: Alternative method to train and certify teachers.	20,000
5/9/12	Teach For America 2601 North Howard Street, Suite 300 Baltimore, MD 21218	Education: Recruit, train, and support new teachers in Baltimore public schools.	50,000
7/26/12	Union of Concerned Scientists Two Brattle Square Cambridge, MA 02138-3780	Environment: Support the work of Alden Meyer and his team on global warming.	19,000
7/26/12	KIPP Baltimore 4701 Greenspring Avenue Baltimore, MD 21209	Education: Capital campaign to renovate school building.	50,000
7/26/12	Building Educated Leaders for Life (BELL) 60 Clayton Street Dorchester, MA 02122	Education: Summer education programs for Baltimore public school students.	15,000
7/26/12	Enoch Pratt Free Library 400 Cathedral Street Baltimore, MD 21201	Education: Summer Reading Program.	20,000
7/26/12	Village Learning Place 2521 Saint Paul Street Baltimore, MD 21218	Education: Summer learning programs.	15,000
7/26/12	American Civil Liberties Union of Maryland 3600 Clipper Mill Road, Suite 350 Baltimore, MD 21211	Education: Advocacy, education, and mobilization around adequate state funding for Baltimore public education.	50,000

	<u>ORGANIZATION</u>	<u>PURPOSE</u>	<u>AMOUNT</u>
7/26/12	Everyman Theatre 1727 N. Charles Street Baltimore, MD 21201	Education: Theatre matinee series for Baltimore high schools.	10,000
7/26/12	Incentive Mentoring Program, Inc. P.O. Box 1584 Baltimore, MD 21203	Education: Tutoring and mentoring program at Dunbar High School and Academy for College and Career Exploration High School to achieve high school diploma and college education.	20,000
7/26/12	Friends of Patterson Park 27 South Patterson Park Avenue Baltimore, MD 21231	Community Development: Foster community support of Patterson Park.	7,500
7/26/12	Station North Arts & Entertainment, Inc. 1800 N. Charles Street, Suite 810 Baltimore, MD 21201	Community Development: To promote the Station North District.	20,000
7/26/12	Central Baltimore Partnership 1800 N. Charles Street, Suite 810 Baltimore, MD 21201	Community Development: To foster growth in Central Baltimore.	20,000
7/26/12	Neighborhood Design Center 1401 Hollins Street Baltimore, MD 21223	Community Development: Free design help for Baltimore non-profit organizations and neighborhoods.	10,000
7/26/12	Community Law Center 3355 Keswick Road, Suite 200 Baltimore, MD 21211	Community Development: Free legal services for Baltimore neighborhood groups.	20,000
7/26/12	Advocates for Children and Youth 8 Market Place, 5 th Floor Baltimore, MD 21202	Community Development: General support of research, education, and advocacy of children's issues.	25,000
7/26/12	Johns Hopkins Department of Psychiatry and Behavioral Sciences Fund for Johns Hopkins Medicine 550 North Broadway, Suite 914 Baltimore, MD 21205	Psychiatric services for Baltimore children.	65,000

	<u>ORGANIZATION</u>	<u>PURPOSE</u>	<u>AMOUNT</u>
8/7/12	Mount Washington School, Baltimore Community Foundation, fiscal agent 1801 Sulgrave Avenue Baltimore, MD 21209	Education: Launch International Baccalaureate Middle Years Program.	10,000
11/26/12	Building STEPS P.O. Box 1393 Brooklandville, MD 21022	Education: Student internships in STEM.	10,000
11/26/12	Baltimore Design School 1101 Winston Avenue Baltimore, MD 21212	Education: Renovate building to contain Baltimore Design School.	30,000
11/26/12	Baltimore School for the Arts Foundation, Inc. 712 Cathedral Street Baltimore, MD 21201	Education: "TWIGS" after-school and Saturday programs.	20,000
11/26/12	Hampden Family Center 1104 West 36 th Street Baltimore, MD 21211	Education: After-school enrichment program.	15,000
11/26/12	Ingenuity Project Baltimore Polytechnic Institute 1400 West Cold Spring Lane Baltimore, MD 21209	Education: Advanced math and science courses for Baltimore middle/high students.	30,000
11/26/12	Playworks Education Energized Playworks Baltimore 2601 N. Howard Street, Suite 310 Baltimore, MD 21218	Education: Recess and sports programs in Baltimore City public schools.	30,000
11/26/12	New Leaders (New Leaders for New Schools) 1500 Union Avenue, Suite 1400 Baltimore, MD 21211	Education: To recruit, train, and support new school principals in Baltimore public schools.	40,000
11/26/12	Cristo Rey Jesuit High School 420 S. Chester Street Baltimore, MD 21231	Education: Scholarships for Cristo Rey students.	45,000
11/26/12	Chesapeake Bay Foundation Philip Merrill Environmental Center 6 Herndon Avenue Annapolis, MD 21403	Environment: Improvement of the Chesapeake Bay.	40,000

	<u>ORGANIZATION</u>	<u>PURPOSE</u>	<u>AMOUNT</u>
11/26/12	Downtown Baltimore Family Alliance P.O. Box 38917 Baltimore, MD 21231	Community Development: To encourage young families to remain in downtown Baltimore.	16,000
11/26/12	Jubilee Baltimore 1228 N. Calvert Street Baltimore, MD 21202	Community Development: Redevelopment of Baltimore.	10,000
11/26/12	Blue Water Baltimore 3545 Belair Road Baltimore, MD 21213	Environment: Improve the quality of Baltimore's watersheds.	40,000
11/26/12	Baltimore Community Foundation 2 East Read Street Baltimore, MD 21202	Community Development: Civic Leadership Fund to advocate for Baltimore's future.	15,000
11/26/12	Central Maryland Transportation Alliance 2 East Read Street, Suite 101 Baltimore, MD 21202	Environment: Improve Metro Baltimore transportation system.	15,000
11/28/12	CollegeBound Foundation The Canton House 300 Water Street – Suite 300 Baltimore, MD 21202	Education: College counseling and last- dollar scholarships for Baltimore high school students.	25,000
12/7/12	Maryland Institute College of Art 1300 Mount Royal Avenue Baltimore, MD 21217	Environment: Landscaping on North Avenue.	20,000
12/12/12	Maryland General Hospital 827 Linden Avenue Baltimore, MD 21201	Expansion of emergency department.	14,575
12/12/12	Emmanuel Episcopal Church 811 Cathedral Street Baltimore, MD 21201	General support.	14,575
12/12/12	Enoch Pratt Free Library 400 Cathedral Street Baltimore, MD 21201	Education: General support.	14,575

	<u>ORGANIZATION</u>	<u>PURPOSE</u>	<u>AMOUNT</u>
12/14/12	Maryland Food Bank 2200 Halethorpe Farms Road Baltimore, MD 21227	General support.	25,000
12/14/12	Fuel Fund of Maryland 1500 Union Avenue, Suite 2400 Baltimore, MD 21211	General support.	10,000
12/14/12	American Red Cross Central Maryland Chapter 4800 Mount Hope Drive Baltimore, MD 21215	General support.	30,000
12/14/12	Shepherd's Clinic 2800 Kirk Avenue Baltimore, MD 21218-3647	General support.	10,000
12/14/12	Salvation Army PO Box 27100 Baltimore, MD 21230-0100	General support.	20,000
12/14/12	Maryland Zoo in Baltimore 1876 Mansion House Drive Druid Hill Park Baltimore, MD 21217	Environment: Improve discharge of water from penguin exhibit.	35,000
			\$1,528,825

Lockhart Vaughan Foundation, Inc.

Statement of Purposes

The Lockhart Vaughan Foundation directs its grants toward four goals in Baltimore, Maryland.

Goal: Baltimore children will have access to a quality public education in pre-K through 12th grade.

Strategies:

- Strengthen the reading readiness instruction in pre-K and Kindergarten programs in Baltimore.
- Support programs that challenge motivated students in Baltimore's public schools.
- Support the recruitment, training, and mentoring of able instructional leaders to be principals of Baltimore public schools.
- Support cost-effective, school-based after-school programs.
- Support summer learning opportunities.

The trustees will favor programs that have intense and sustained contact with students with a consistent message of high expectations.

Goal: Baltimore families will have more choices for their children's education.

Strategies:

- Provide financial aid to Baltimore independent schools that are uniquely capable of high student performance and that help stabilize inner-city neighborhoods. Grants will not be made for annual operating expenses.
- Provide start-up facility grants to charter schools in Baltimore.

Goal: Baltimore residents will enjoy good parks, a greener environment, and a cleaner Chesapeake Bay with healthy watersheds.

Strategies:

- Encourage neighborhood involvement in the maintenance and beautification of Baltimore's public parks through effective partnerships with Baltimore's Department of Recreation and Parks.
- Support greening efforts in Baltimore that are visible to the wider community.
- Support efforts to improve the Chesapeake Bay and its watersheds in Baltimore.

Goal: Baltimore will be a city with vibrant neighborhoods.

Strategies:

- Support community organizations that have a record of attracting financial investments in their neighborhood revitalization efforts.
- Support organizations that provide technical assistance and enhance the capabilities of groups that are working for community development in Baltimore.

Grant Application

The Lockhart Vaughan Foundation has adopted the Association of Baltimore Area Grantmakers ("ABAG") Common Grant Application Format which can be found at www.abagmd.org. If you cannot access these materials, you may call us at 410-837-9400 and we will send a copy.

A Grant Application should be **submitted in duplicate** and should include a cover letter, a proposal narrative, and attachments, all as outlined in the ABAG Common Grant Application Format.

If you believe that your proposal fits within the goals and strategies of the Foundation, a completed grant application should be sent to:

John B. Powell, Jr., Executive Director
Lockhart Vaughan Foundation, Inc.
2 East Read Street, Suite 100
Baltimore, MD 21202

Deadlines for submission of grant applications are **February 20th**, **June 20th**, and **October 20th**. If the deadline falls on a weekend, the deadline is the following Monday. Grant Applications must be received before 5:00 p.m. on the deadline date.

An initial review is made of every Grant Application that is received. If it is determined that a Grant Application is not within the Foundation's purposes or that the Foundation does not have adequate funds, the organization will be notified as soon as possible. Otherwise, the Foundation will endeavor to inform each organization that submitted a Grant Application of its decision within sixty (60) days following the deadline date.

PORTFOLIO APPRAISAL Lockhart Foundation

December 31, 2012

Quantity	Security	Unit Cost	Total Cost	Price	Market Value
COMMON STOCK- usd					
439.00	Allegiant Travel Co	48.02	21,081.82	73.41	32,226.99
2,722.00	Braker Corp	12.75	34,703.66	15.24	41,477.56
1,392.00	Chicos Fas Inc	12.47	17,356.47	18.46	25,696.32
1,848.00	Cinemark Holdings Inc	19.71	36,423.05	25.98	48,011.04
686.00	Diebold Inc	30.88	21,184.20	30.61	20,998.46
1,595.00	Electronics For Imaging Inc Com	14.52	23,155.32	18.99	30,289.05
1,309.00	Energy XXI Bermuda Ltd	19.65	25,719.22	32.17	42,110.53
674.00	FARO Technologies Inc	39.10	26,356.34	35.68	24,048.32
615.00	FEI Co	19.73	12,135.81	55.47	34,114.30
1,115.00	Finish Line - C I A	23.81	26,545.82	18.93	21,106.95
842.00	First Cash Financial Services Inc	41.32	34,787.70	49.62	41,780.04
998.00	Forward Air Corp	31.06	30,995.79	35.01	34,939.98
1,571.00	Grand Canyon Education Inc	16.03	25,187.05	23.47	36,871.37
1,026.00	Gulfport Energy Corp	21.48	22,036.48	38.22	39,213.72
830.00	Hancock Holding Co	32.38	26,876.87	31.73	26,335.90
1,126.00	Hanesbrands Inc	27.00	30,403.21	35.82	40,333.32
1,391.00	Hanger Inc	18.77	26,104.99	27.36	38,057.76
1,184.00	Harsco Corp	20.84	24,678.59	23.50	27,824.00
441.00	Haynes Intl	63.22	27,878.86	51.87	22,874.67
1,696.00	HealthSouth Corp	21.75	36,886.63	21.11	35,802.56
1,200.00	Hexcel Corp	15.39	18,473.25	26.96	32,352.00
697.00	Hittite Microwave Corp	55.20	38,474.44	62.06	43,255.82
1,145.00	Intrepid Potash Inc	24.53	28,089.44	21.29	24,377.05
714.00	IPC The Hospitalist Co Inc	30.94	22,087.72	39.71	28,352.94
2,586.00	JDS Uniphase Corp	13.15	34,003.76	13.50	34,911.00
427.00	Kirby Corp	24.41	10,423.92	61.89	26,427.03
437.00	Koppers Holdings Inc	35.11	15,343.01	38.15	16,671.55

1,826.00	Mastec Inc	14.19	25,913.26	24.93	45,522.18
718.00	Mens Warehouse Inc	24.85	17,841.36	31.16	22,372.88
225.00	Middleby Corp	80.68	18,153.80	128.21	28,847.25
628.00	OSI Systems Inc	29.98	18,829.42	64.04	40,217.12
1,030.00	Owens & Minor Inc	29.40	30,286.61	28.51	29,365.30
902.00	Oxford Industries Inc	50.08	45,172.85	46.36	41,816.72
767.00	Plantronics Inc	30.29	23,231.19	36.87	28,279.29
903.00	Polypore International Inc	39.04	35,254.34	46.50	41,989.50
384.00	Portfolio Recovery Associates Inc	69.04	26,512.92	106.86	41,034.24
423.00	PriceSmart Inc	41.78	17,673.68	76.99	32,566.77
1,690.00	PTC Inc	18.99	32,084.81	22.51	38,041.90
1,205.00	Rush Enterprises Inc	19.50	23,491.54	20.67	24,907.35
326.00	Signature Bank	26.10	8,508.10	71.34	23,256.84
1,050.00	Snyders-Lance Inc	22.61	23,739.63	24.12	25,326.21
1,335.00	Stage Stores Inc	16.79	22,412.71	24.78	33,081.30
2,748.00	Steelcase Inc	9.61	26,406.32	12.74	35,009.52
1,298.00	Team Health Holdings Inc	21.07	27,348.61	28.77	37,343.46
485.00	Tennant Co	41.34	20,050.39	43.95	21,315.75
508.00	UMB Financial Corp	47.82	24,290.12	43.82	22,260.56
2,463.00	Vanguard Health Systems Inc	11.33	27,894.84	12.25	30,171.75
4,568.00	Wendys Co	5.24	23,952.56	4.70	21,469.60
	COMMON STOCK TOTAL		<u>\$ 1,216,442.51</u>		<u>\$ 1,534,655.72</u>

AMERICAN DEPOSITORY RECEIPTS- usd

793.00	Nice Systems Limited ADR	32.29	25,607.23	33.48	26,549.64
	AMERICAN DEPOSITORY REC. TOTAL		<u>\$ 25,607.23</u>		<u>\$ 26,549.64</u>

Total Cost \$ 1,242,050

Total Market Value \$ 1,561,205

Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

▶ File a separate application for each return.

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

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

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

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

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

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

Type or print File by the due date for filing your return. See instructions	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
	LOCKHART VAUGHAN FOUNDATION, INC.	52-1693184
	Number, street, and room or suite no. If a P.O. box, see instructions. C/O J.B. POWELL, JR., 2 EAST READ ST, NO. 100	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions BALTIMORE, MD 21202	

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

04

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

JOHN B. POWELL, JR.

- The books are in the care of ▶ **2 EAST READ ST SUITE 100 - BALTIMORE, MD 21202**
Telephone No ▶ **(410) 837-9400** FAX No. ▶

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

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2013**, to file the exempt organization return for the organization named above. The extension is for the organization's return for.

▶ ☒ calendar year **2012** or

▶ ☐ tax year beginning _____, and ending _____

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

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$ 25,000.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$ 16,000.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ 9,000.

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

LHA For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form **8868** (Rev. 1-2013)