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

2012

Department of the Treasury
Internal Revenue Service

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

Open to public inspection

For calendar year 2012 or tax year beginning

, and ending

Name of foundation THE DONANT FOUNDATION		A Employer identification number 68-0414080
Number and street (or P O box number if mail is not delivered to street address) P.O. BOX 255009	Room/suite	B Telephone number 916-737-8640
City or town, state, and ZIP code SACRAMENTO, CA 95865-5009		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 type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input checked="" type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 2,454,040.	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, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)</small>		(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		2,513.	2,513.		STATEMENT 1
4 Dividends and interest from securities		56,087.	56,087.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		66,268.			
b Gross sales price for all assets on line 6a 497,663.					
7 Capital gain net income (from Part IV, line 2)			66,268.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income					
12 Total. Add lines 1 through 11		124,868.	124,868.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees STMT 3		2,575.	0.		2,575.
c Other professional fees					
17 Interest STMT 4		4,068.	1,522.		2,546.
18 Taxes					
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 5		27,777.	23,660.		4,118.
24 Total operating and administrative expenses. Add lines 13 through 23		34,420.	25,182.		9,239.
25 Contributions, gifts, grants paid		22,750.			22,750.
26 Total expenses and disbursements. Add lines 24 and 25		57,170.	25,182.		31,989.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		67,698.			
b Net investment income (if negative, enter -0-)			99,686.		
c Adjusted net income (if negative, enter -0-)				N/A	

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Part II Balance Sheets

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

	Beginning of year	End of year	
	(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets			
1 Cash - non-interest-bearing			
2 Savings and temporary cash investments	12,611.	21,048.	21,048.
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			
b Investments - corporate stock STMT 6	2,321,477.	2,380,449.	2,432,992.
c Investments - corporate bonds			
11 Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation ▶			
12 Investments - mortgage loans			
13 Investments - other			
14 Land, buildings, and equipment: basis ▶ Less accumulated depreciation ▶			
15 Other assets (describe ▶)			
16 Total assets (to be completed by all filers)	2,334,088.	2,401,497.	2,454,040.
Liabilities			
17 Accounts payable and accrued expenses	800.		
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)	800.	0.	
Net Assets or Fund Balances			
Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
24 Unrestricted	2,333,288.	2,401,497.	
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	2,333,288.	2,401,497.	
31 Total liabilities and net assets/fund balances	2,334,088.	2,401,497.	

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	2,333,288.
2 Enter amount from Part I, line 27a	2	67,698.
3 Other increases not included in line 2 (itemize) ▶ NON-INCOME DISTRIBUTIONS	3	511.
4 Add lines 1, 2, and 3	4	2,401,497.
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	2,401,497.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a			
b SEE ATTACHED STATEMENTS			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e 497,663.		431,395.	66,268.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			
b			
c			
d			
e			66,268.

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	66,268.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	N/A

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

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

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

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

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

1 Enter the appropriate amount in each column for each year; see 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	36,364.	2,280,534.	.015945
2010	221,492.	2,123,662.	.104297
2009	126,957.	2,045,065.	.062080
2008	145,214.	2,539,210.	.057189
2007	144,599.	2,968,498.	.048711

2 Total of line 1, column (d)	2	.288222
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	.057644
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	2,348,516.
5 Multiply line 4 by line 3	5	135,378.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	997.
7 Add lines 5 and 6	7	136,375.
8 Enter qualifying distributions from Part XII, line 4	8	31,989.

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)

<p>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)</p>			
<p>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</p>		1	1,994.
<p>c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).</p>			
<p>2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)</p>		2	0.
<p>3 Add lines 1 and 2</p>		3	1,994.
<p>4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)</p>		4	0.
<p>5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-</p>		5	1,994.
<p>6 Credits/Payments:</p>			
<p>a 2012 estimated tax payments and 2011 overpayment credited to 2012</p>	6a	1,640.	
<p>b Exempt foreign organizations - tax withheld at source</p>	6b		
<p>c Tax paid with application for extension of time to file (Form 8868)</p>	6c		
<p>d Backup withholding erroneously withheld</p>	6d		
<p>7 Total credits and payments. Add lines 6a through 6d</p>		7	1,640.
<p>8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached</p>		8	
<p>9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed</p>		9	354.
<p>10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid</p>		10	
<p>11 Enter the amount of line 10 to be: Credited to 2013 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/></p>		11	

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
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? <i>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</i>		X
1c 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 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? <i>If "Yes," attach a detailed description of the activities</i>		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? <i>If "Yes," attach a conformed copy of the changes</i>		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
4b If "Yes," has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>		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? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	X	
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? <i>If "No," attach explanation</i>	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)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)
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)
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address N/A
14 The books are in care of RALPH YERXA Telephone no. 916-737-8640 Located at P.O. BOX 255009, SACRAMENTO, CA ZIP+4 95865-5009
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year 15 N/A
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

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.

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?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(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)?
(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.)
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
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?
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
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.)
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?
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)
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?
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?

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** Yes No
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? Yes No
If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

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

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
MICHAEL P. LIEN P.O. BOX 255009 SACRAMENTO, CA 958655009	PRESIDENT 1.00	0.	0.	0.
NORMAN LIEN P.O. BOX 255009 SACRAMENTO, CA 958655009	SECRETARY & CFO 1.00	0.	0.	0.
TIMOTHY S. LIEN P.O. BOX 255009 SACRAMENTO, CA 958655009	VICE-PRESIDENT & ASST SEC. 1.00	0.	0.	0.
DOROTHY P. LIEN P.O. BOX 255009 SACRAMENTO, CA 958655009	DIRECTOR 1.00	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

Part VIII

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

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

Total number of others receiving over \$50,000 for professional services 0

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	2,372,873.
b	Average of monthly cash balances	1b	11,407.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	2,384,280.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	2,384,280.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	35,764.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,348,516.
6	Minimum investment return. Enter 5% of line 5	6	117,426.

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	117,426.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	1,994.
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,994.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	115,432.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	115,432.
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	115,432.

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	31,989.
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	31,989.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	31,989.

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				115,432.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			0.	
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	36,720.			
e From 2011				
f Total of lines 3a through e	36,720.			
4 Qualifying distributions for 2012 from Part XII, line 4: ▶ \$ 31,989.				
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				31,989.
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))	36,720.			36,720.
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				46,723.
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 XIV Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

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

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

	Tax year		Prior 3 years		(e) Total
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

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

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

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

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
CLEAN & SOBER 1321 NORTH C STREET SACRAMENTO, CA 95811	NONE	501 (C)(3)	SUPPORT HOMELESS & DISADVANTAGED	2,000.
CRISTO REY HIGH SCHOOL 6200 MCMAHON DR SACRAMENTO, CA 95624	NONE	501 (C)(3)	SUPPORT EDUCATION	6,750.
FUTURE FOUNDATION 7405 GREENBACK LANE, SUITE 333 CITRUS HEIGHTS, CA 95610	NONE	501 (C)(3)	SUPPORT EDUCATION	5,000.
MUTUAL ASSISTANCE NETWORK OF DEL PASO HEIGHTS 811 GRAND AVENUE, A3 SACRAMENTO, CA 95838	NONE	501 (C)(3)	SUPPORT AFTER SCHOOL PROGRAM	2,500.
RELATIONSHIP SKILLS CENTER 9717 LINCOLN VILLAGE DRIVE, SUITE 503 SACRAMENTO, CA 95827	NONE	501 (C)(3)	SUPPORT RELATIONSHIP EDUCATION ACTION FOR YOUTH PROGRAM	2,500.
Total SEE CONTINUATION SHEET(S) ▶ 3a				22,750.
b Approved for future payment				
NONE				
Total ▶ 3b 0.				

THE DONANT FOUNDATION

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 MECHANICS BANK	P	VARIOUS	12/31/12
b WELLS FARGO ADVISORS - L/T	P	VARIOUS	12/31/12
c WELLS FARGO ADVISORS - S/T COVERED	P	01/04/12	01/18/12
d WELLS FARGO ADVISORS - S/T NON-COVERED	P	VARIOUS	01/18/12
e BRANDES GLOBAL - S/T COVERED	P	VARIOUS	12/31/12
f BRANDES GLOBAL - L/T COVERED	P	VARIOUS	12/31/12
g BRANDES GLOBAL - L/T NON-COVERED	P	VARIOUS	12/31/12
h FRED ALGER - S/T COVERED	P	VARIOUS	12/31/12
i FRED ALGER - L/T COVERED	P	VARIOUS	12/31/12
j FRED ALGER - L/T NON-COVERED	P	VARIOUS	12/31/12
k KAYNE - S/T COVERED	P	VARIOUS	12/31/12
l KAYNE - L/T NON-COVERED	P	VARIOUS	12/31/12
m SYSTEMATIC - S/T COVERED	P	VARIOUS	12/31/12
n SYSTEMATIC - L/T COVERED	P	VARIOUS	12/31/12
o SYSTEMATIC - L/T NON-COVERED	P	VARIOUS	12/31/12

(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 207,380.		168,517.	38,863.
b 24,734.		21,543.	3,191.
c 2.		2.	0.
d 5.		5.	0.
e 1,782.		1,725.	57.
f 7,695.		6,418.	1,277.
g 47,633.		44,271.	3,362.
h 39,700.		40,914.	-1,214.
i 11,063.		11,562.	-499.
j 32,696.		22,017.	10,679.
k 1,395.		1,358.	37.
l 19,488.		16,002.	3,486.
m 58,687.		58,548.	139.
n 17,849.		17,254.	595.
o 26,292.		21,259.	5,033.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			38,863.
b			3,191.
c			0.
d			0.
e			57.
f			1,277.
g			3,362.
h			-1,214.
i			-499.
j			10,679.
k			37.
l			3,486.
m			139.
n			595.
o			5,033.

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
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8 }	3

THE DONANT FOUNDATION

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 CAPITAL GAINS DIVIDENDS			
b			
c			
d			
e			
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 1,262.			1,262.
b			
c			
d			
e			
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			1,262.
b			
c			
d			
e			
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2	66,268.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8 }	3	N/A

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

SOURCE	AMOUNT
BRANDES GLOBAL	1.
FARMERS AND MERCHANTS	5.
KAYNE SMALL VALUE	2.
MECHANICS BANK	2,500.
WELLS FARGO BANK	5.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	2,513.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
B OF A CLASS ACTION SETTLEMENT	8.	8.	0.
BRANDES GLOBAL	10,935.	0.	10,935.
FRED ALGER	952.	36.	916.
KAYNE SMALL VALUE	5,322.	13.	5,309.
MECHANICS BANK	18,653.	88.	18,565.
SYSTEMIC MID VALUE	2,099.	15.	2,084.
WELLS FARGO ADVISORS	19,380.	1,102.	18,278.
TOTAL TO FM 990-PF, PART I, LN 4	57,349.	1,262.	56,087.

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	2,575.	0.		2,575.
TO FORM 990-PF, PG 1, LN 16B	2,575.	0.		2,575.

FORM 990-PF	TAXES			STATEMENT 4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
REGISTRY OF CHARITABLE TRUST FEE	25.	0.		25.
STATE FILING FEE	30.	0.		30.
FOREIGN TAXES	1,522.	1,522.		0.
FEDERAL TAXES	2,491.	0.		2,491.
TO FORM 990-PF, PG 1, LN 18	4,068.	1,522.		2,546.

FORM 990-PF	OTHER EXPENSES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MANAGEMENT FEE	25,467.	22,410.		3,058.
INSURANCE	1,250.	1,250.		0.
MISCELLANEOUS EXPENSE	1,060.	0.		1,060.
TO FORM 990-PF, PG 1, LN 23	27,777.	23,660.		4,118.

FORM 990-PF	CORPORATE STOCK		STATEMENT 6
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
MECHANICS BANK ACCOUNT	886,868.	874,083.	
WELLS FARGO ADVISORS	821,354.	869,291.	
BRANDES GLOBAL ACCOUNT	351,940.	308,631.	
FRED ALGER ACCOUNT	92,936.	107,206.	
KAYNE SMALL VALUE ACCOUNT	126,651.	162,538.	
SYSTEMATIC MID VALUE ACCOUNT	100,700.	111,243.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	2,380,449.	2,432,992.	

**THE DONANT FOUNDATION
THE MECHANICS BANK
SECURITIES SOLD
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2012**

	PURCHASE DATE	SALE DATE	COST	SALE	GAIN/(LOSS)
UNITED DOM RLTY UDR 5.0%	1/5/2011	1/17/2012	\$ 103,173.00	\$ 100,000.00	\$ (3,173.00)
DUKE ENERGY FRACTIONAL SHARES	VARIOUS-LT	8/8/2012	\$ 10.22	\$ 22.84	\$ 12.32
160 SHARES PHILLIP MORRIS INT'L	3/26/2006	9/28/2012	\$ 4,614.83	\$ 14,510.09	\$ 9,895.26
350 SHARES SOUTHERN COMPANY	12/17/2003	9/28/2012	\$ 10,454.50	\$ 16,029.68	\$ 5,575.18
600 SHARES DOMINION RESOURCES	5/17/2005	10/24/2012	\$ 21,144.66	\$ 31,553.53	\$ 10,408.87
333 SHARES DUKE ENERGY	9/11/2003	10/24/2012	\$ 10,219.46	\$ 21,471.38	\$ 11,251.92
700 SHARES AT&T	3/23/2006	12/17/2012	\$ 18,900.00	\$ 23,792.53	\$ 4,892.53
			<u>\$ 168,516.67</u>	<u>\$ 207,379.75</u>	<u>\$ 38,863.08</u>