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

OMB No 1545-0052

2012

Open to Public Inspection

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

For calendar year 2012 or tax year beginning

, 2012, and ending

, 20

Name of foundation THE BAIRD FOUNDATION INC		A Employer identification number 86-6050315						
Number and street (or P.O. box number if mail is not delivered to street address) 933 NORTH CHERRY		B Telephone number (see instructions) (520) 626-0987						
City or town, state, and ZIP code TUCSON, AZ 85721		C If exemption application is pending, check here ☐						
G Check all that apply: <table border="0"> <tr> <td>☐ Initial return</td> <td>☐ Initial return of a former public charity</td> </tr> <tr> <td>☐ Final return</td> <td>☐ Amended return</td> </tr> <tr> <td>☐ Address change</td> <td>☐ Name change</td> </tr> </table>		☐ Initial return	☐ Initial return of a former public charity	☐ Final return	☐ Amended return	☐ Address change	☐ Name change	D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
☐ Initial return	☐ Initial return of a former public charity							
☐ Final return	☐ Amended return							
☐ Address change	☐ Name change							
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐						
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 5,332,186	J Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) _____ (Part I, column (d) must be on cash basis.)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐						

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received (attach schedule)				
2	Check ☒ if the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	109,909	109,909		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10				
b	Gross sales price for all assets on line 6a 431,820				
7	Capital gain net income (from Part IV, line 2)				
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) (attach schedule)				
11	Other income (attach schedule)				
12	Total. Add lines 1 through 11	109,909	109,909		
13	Compensation of officers, directors, trustees, etc.				
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule) STM108	2,000			
c	Other professional fees (attach schedule)				
17	Interest				
18	Taxes (attach schedule) (see instructions) STM110	3,066			
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) STM103	16,298	15,842		
24	Total operating and administrative expenses. Add lines 13 through 23	21,364	15,842		0
25	Contributions, gifts, grants paid	406,438			406,438
26	Total expenses and disbursements. Add lines 24 and 25	427,802	15,842		406,438
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	(317,893)			
b	Net investment income (if negative, enter -0-)		94,067		
c	Adjusted net income (if negative, enter -0-)			0	

20

Part II Balance Sheets

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

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	3,819	3,925	3,925
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations (attach schedule)			
	b Investments - corporate stock (attach schedule) STM137	5,013,299	5,327,919	5,327,919
	c Investments - corporate bonds (attach schedule)			
	Liabilities	11 Investments - land, buildings, and equipment basis ▶		
Less: accumulated depreciation (attach schedule) ▶				
12 Investments - mortgage loans				
13 Investments - other (attach schedule)				
14 Land, buildings, and equipment: basis ▶				
Less: accumulated depreciation (attach schedule) ▶				
15 Other assets (describe ▶ STM120)		283	342	342
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)		5,017,401	5,332,186	5,332,186
17 Accounts payable and accrued expenses				
18 Grants payable				
Net Assets or Fund Balances	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶ STM121)	1,384,352	1,890,560	
	23 Total liabilities (add lines 17 through 22)	1,384,352	1,890,560	
	Foundations that follow SFAS 117, check here ▶ ☒ X			
	and complete lines 24 through 26 and lines 30 and 31.			
24 Unrestricted	3,633,049	3,441,626		
25 Temporarily restricted				
26 Permanently restricted				
Foundations that do not follow SFAS 117, check here ▶ ☐				
and complete lines 27 through 31.				
27 Capital stock, trust principal, or current funds				
28 Paid-in or capital surplus, or land, bldg., and equipment fund				
29 Retained earnings, accumulated income, endowment, or other funds				
30 Total net assets or fund balances (see instructions)	3,633,049	3,441,626		
31 Total liabilities and net assets/fund balances (see instructions)	5,017,401	5,332,186		

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	3,633,049
2 Enter amount from Part I, line 27a	2	(317,893)
3 Other increases not included in line 2 (itemize) ▶ STM115	3	126,580
4 Add lines 1, 2, and 3	4	3,441,736
5 Decreases not included in line 2 (itemize) ▶ STM116	5	110
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	3,441,626

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 (yr., mo., day)	(d) Date sold (yr., mo., day)
1a			
b			
c			
d			
e			

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

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

(i) 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			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7
If (loss), enter -0- in Part I, line 7 }

2

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

3

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

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

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

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

☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year; see 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	416,546	4,938,100	0.084353
2010	460,454	5,569,568	0.082673
2009	420,000	5,447,241	0.077103
2008	490,000	4,636,881	0.105674
2007	219,437	7,508,097	0.029227

2 Total of line 1, column (d)

2

0.379031

3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the
number of years the foundation has been in existence if less than 5 years

3

0.075806

4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5

4

5,248,000

5 Multiply line 4 by line 3

5

397,830

6 Enter 1% of net investment income (1% of Part I, line 27b)

6

941

7 Add lines 5 and 6

7

398,771

8 Enter qualifying distributions from Part XII, line 4

8

406,438

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 ☐ and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b		1	941
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	941
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	941
6 Credits/Payments:			
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	1,283	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	1,283	
8 Enter any penalty for underpayment of estimated tax. Check here ☐ 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	342	
11 Enter the amount of line 10 to be: Credited to 2013 estimated tax 342 Refunded	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
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		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. ▶ \$ _____ (2) On foundation managers. ▶ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ _____		
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) ▶ AZ		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	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

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address ▶ N/A				
14	The books are in care of ▶ SELF	Telephone no.	▶ 520-626-0987	
Located at ▶ 933 NORTH CHERRY TUCSON, AZ		ZIP+4	▶ 85721	
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		
16	At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶				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? ☐ Yes ☒ No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b	
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?	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? ☐ Yes ☒ No		
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.)	2b	X
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? ☐ Yes ☒ 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.)	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)? (see instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?Organizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

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?

5b

6b

7b

X

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation (see instructions).

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

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

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

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		0
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 UNIVERSITY OF ARIZONA	
	406,438
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

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

	Amount
1 NONE	
	0
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	5,327,919
b	Average of monthly cash balances	1b	0
c	Fair market value of all other assets (see instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	5,327,919
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	5,327,919
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	79,919
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,248,000
6	Minimum investment return. Enter 5% of line 5	6	262,400

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	262,400
2a	Tax on investment income for 2012 from Part VI, line 5	2a	941
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	941
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	261,459
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	261,459
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	261,459

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	406,438
b	Program-related investments - total from Part IX-B	1b	
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	406,438
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	941
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	405,497

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				261,459
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			246,076	
b Total for prior years _____, _____, _____				
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				
4 Qualifying distributions for 2012 from Part XII, line 4: ► \$ 406,438				
a Applied to 2011, but not more than line 2a . . .			246,076	
b Applied to undistributed income of prior years (Election required - see instructions)		369,842		
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2012 distributable amount				
e Remaining amount distributed out of corpus . . .				
5 Excess distributions carryover applied to 2012 . .				
(If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 .				
b Prior years' undistributed income. Subtract line 4b from line 2b				
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				
d Subtract line 6c from line 6b. Taxable amount - see instructions				
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount - see instructions				
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				261,459
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) . .				
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions) . . .				
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a				
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)

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

b Check box to indicate whether the foundation is a private operating foundation described in section

4942(j)(3) or

4942(j)(5)

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

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

Part 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 UNIVERSITY OF ARIZONA TUCSON AZ	NONE		SCHOLARSHIPS	406,438
Total			3a	406,438
b Approved for future payment				
Total			3b	

Part XVI-A	Analysis of Income-Producing Activities
-------------------	--

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions.)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1	Program service revenue:					
a	_____					
b	_____					
c	_____					
d	_____					
e	_____					
f	_____					
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments					
4	Dividends and interest from securities			14	109,909	
5	Net rental income or (loss) from real estate:					
a	Debt-financed property					
b	Not debt-financed property					
6	Net rental income or (loss) from personal property					
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory					
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue: a _____					
	b _____					
	c _____					
	d _____					
	e _____					
12	Subtotal. Add columns (b), (d), and (e)				109,909	
13	Total. Add line 12, columns (b), (d), and (e)				13	109,909

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

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

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?
- a Transfers from the reporting foundation to a noncharitable exempt organization of:
- (1) Cash
- (2) Other assets
- b Other transactions:
- (1) Sales of assets to a noncharitable exempt organization
- (2) Purchases of assets from a noncharitable exempt organization
- (3) Rental of facilities, equipment, or other assets
- (4) Reimbursement arrangements
- (5) Loans or loan guarantees
- (6) Performance of services or membership or fundraising solicitations
- c Sharing of facilities, equipment, mailing lists, other assets, or paid employees
- d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

[illegible]

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

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

**Sign
Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer or trustee

Date _____

Title

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

**Paid
Preparer
Use Only**

Pnnl/Type preparer's name

Preparer's signature

Date	
------	--

Check ☐ if
self-employed

PTIN

ROBERT A ELLIOTT

Firm's name ► ELLIOTT ACCOUNTING

Firm's address ► 4511 NORTH CAMPBELL AVENUE
TUCSON AZ 85718

Firm's EIN ▶ 86-0445327

Phone no

520-326-1850

Federal Supporting Statements

2012 PG 01

Name(s) as shown on return

FEIN

THE BAIRD FOUNDATION INC

86-6050315

FORM 990PF, PART III, LINE 3
OTHER INCREASES SCHEDULE

STATEMENT #115

LT CAPITAL GAINS-ATTACHED	119,371
LT CAP GAIN DISTRIBUTIONS-ATTACHED	7,209
TOTAL	126,580

STM116

FORM 990PF, PART III, LINE 5
OTHER DECREASES SCHEDULEPG 01
STATEMENT #116

ST CAPITAL LOSSES-ATTACHED	110
TOTAL	110

STM120

FORM 990PF, PART II, LINE 15
OTHER ASSETS SCHEDULEPG 01
STATEMENT #120

<u>DESCRIPTION</u>	<u>BOY BOOK</u>	<u>EOY BOOK</u>	<u>FMV</u>
FEDERAL ESTIMATED TAX PAYMENTS	283	342	342
TOTAL	283	342	342

STM121

FORM 990PF, PART II, LINE 22
OTHER LIABILITIES SCHEDULEPG 01
STATEMENT #121

<u>DESCRIPTION</u>	<u>BOY AMOUNT</u>	<u>EOY AMOUNT</u>
UNREALIZED GAIN/(LOSS) ON INV.	1,384,352	1,890,560
TOTAL	1,384,352	1,890,560

Federal Supporting Statements

2012 PG 01

Name(s) as shown on return

FEIN

THE BAIRD FOUNDATION INC

86-6050315

FORM 990PF, PART II, LINE 10(B)
INVESTMENTS: CORPORATE STOCK SCHEDULE

STATEMENT #137

<u>CATEGORY</u>	<u>BOY</u>	<u>BOOK VALUE</u>	<u>EOY FMV</u>
INVESTMENTS	<u>5,013,299</u>	<u>5,327,919</u>	<u>5,327,919</u>
TOTALS	<u>5,013,299</u>	<u>5,327,919</u>	<u>5,327,919</u>

Federal Supporting Statements

2012 PG 01

Your Social Security Number

86-6050315

Name(s) as shown on return

THE BAIRD FOUNDATION INC

STATEMENT #103

FORM 990PF, PART I, LINE 23 - OTHER EXPENSES SCHEDULE

DESCRIPTION	REVENUE AND EXPENSES	NET INVESTMENT	ADJUSTED NET INCOME	CHARITABLE PURPOSE
BOND	384	0	0	0
LICENSE FEES PERMITS	10	0	0	0
MANAGEMENT FEES	15,842	15,842	0	0
BANK CHARGES	62	0	0	0
TOTALS	16,298	15,842	0	0

PG 01

STATEMENT #108

FORM 990PF, PART I, LINE 16(B) - ACCOUNTING FEES SCHEDULE

DESCRIPTION	REVENUE AND EXPENSES	NET INVESTMENT	ADJUSTED NET INCOME	CHARITABLE PURPOSE
ACCOUNTING	2,000	0	0	0
TOTALS	2,000	0	0	0

Federal Supporting Statements

2012 PG 01

Name(s) as shown on return

Your Social Security Number

THE BAIRD FOUNDATION INC

86-6050315

FORM 990PF, PART I, LINE 18 - TAXES SCHEDULE

STATEMENT #110

DESCRIPTION	REVENUE AND EXPENSES	NET INVESTMENT	ADJUSTED NET INCOME	CHARITABLE PURPOSE
FOREIGN TAXES	2,125	0	0	0
FEDERAL TAXES	941	0	0	0
TOTALS	3,066	0	0	0

2012 Tax Information Statement

Account Number: 44-116200
 Recipient's Tax ID Number: XX-XXX0315
☐ Corrected ☐ 2nd TIN notice
 Recipient's Name and Address:
 BAIRD FOUNDATION
 C/O DR. JOHN P. SCHAEFER
 LSST CORPORATION
 933 N. CHERRY AVENUE
 TUCSON, AZ 85721

CAPITAL GUARDIAN TRUST COMPANY
 C/O PCS TAX, 6455 IRVINE CENTER DR, C-2B
 IRVINE, CA 92618

2012 Proceeds from Broker and Barter Exchange Transactions

Sales are listed at Gross Proceeds less commissions and option premiums.

Cusip	Description	Quantity Sold	Date of Sale or Exchange	Date of Acquisition	Stock or Other Symbol	Stocks, etc. Bonds, etc.	Cost or Other Basis	Wash Sale Loss Disallowed	Net Gain or Loss	Federal Income Tax Withheld	State Tax Withheld
Short Term Sales											
360802821	FUNDAMENTAL INVESTORS CL F2				FINFX						
103.6960	04/25/2012	03/16/2012				4,040.00	4,085.61	0.00	-45.61	0.00	0.00
360802821	FUNDAMENTAL INVESTORS CL F2				FINFX						
31.9200	07/23/2012	03/16/2012				1,193.49	1,257.65	0.00	-64.16	0.00	0.00
Total Short Term Sales											
						5,233.49	5,343.26	0.00	-109.77	0.00	0.00
Long Term 15% Sales											
14042Y304	CAPITAL CORE BOND FUND				CCBFX						
9433.9620	09/05/2012	Various				100,000.01	96,229.68	0.00	3,770.33	0.00	0.00
29875E100	EUROPACIFIC GROWTH FUND CL F2				AEFPX						
269.1056	07/05/2012	02/08/2001				10,000.00	8,429.12	0.00	1,570.88	0.00	0.00
29875E100	EUROPACIFIC GROWTH FUND CL F2				AEFPX						
2627.4304	09/05/2012	Various				100,000.00	77,718.84	0.00	22,281.16	0.00	0.00
360802821	FUNDAMENTAL INVESTORS CL F2				FINFX						
100.8270	01/25/2012	02/08/1996				3,780.00	2,373.60	0.00	1,406.40	0.00	0.00
360802821	FUNDAMENTAL INVESTORS CL F2				FINFX						
75.0600	07/23/2012	02/08/1996				2,806.51	1,767.01	0.00	1,039.50	0.00	0.00
360802821	FUNDAMENTAL INVESTORS CL F2				FINFX						
2554.9310	09/05/2012	02/08/1996				100,000.00	60,146.46	0.00	39,853.54	0.00	0.00

This is important tax information and is being furnished to you.

2012 Tax Information Statement

Account Number: 44-116200
 Recipient's Tax ID Number: XX-XXX0315
☐ Corrected ☐ 2nd TIN notice

Recipient's Name and Address:
 BAIRD FOUNDATION
 C/O DR. JOHN P. SCHAEFER
 LSST CORPORATION
 933 N. CHERRY AVENUE
 TUCSON, AZ 85721

CAPITAL GUARDIAN TRUST COMPANY
 C/O PCS TAX, 6455 IRVINE CENTER DR, C-28
 IRVINE, CA 92618

Sales are listed at Gross Proceeds less commissions and option premiums.

Cusip	Description	Stock or Other Symbol	Sto cks, etc.	Cost or Other Basis	Wash Sale Loss Disallowed	Net Gain or Loss	Federal Income Tax Withheld	State Tax Withheld
399874825	GROWTH FUND OF AMERICA CL F2	GFFFX						
30543677	09/05/2012 Various		100,000.00	50,282.32	0.00	49,717.68	0.00	0.00
649280823	NEW WORLD FUND CL F2	NFFFX						
1902588	10/23/2012 08/03/2011		10,000.00	10,268.26	0.00	-268.26	0.00	0.00
Total Long Term 15% Sales			426,586.52	307,215.29	0.00	119,371.23	0.00	0.00

43,820.01

BAIRD FOUNDATION

Account Number: XXXX16200

Realized Gain (Loss) Detail

For the Period October 1, 2012 - December 31, 2012

Reporting Currency: USD

Sale Date	Purchase Date	Description	Quantity	Proceeds	Cost	Realized Gain (Loss)	ST/LT
Sales							
Equity							
10/23/2012	08/03/2011	NEW WORLD FUND CL F2	190.26	10,000.00	10,268.26	(268.26)	LT
Total Equity							(268.26)
Total Sales							(268.26)
Capital Gain Distributions							
Fixed Income							
12/14/2012		CAPITAL CORE BOND FUND				7,209.01	LT
Total Fixed Income							7,209.01
Total Capital Gain Distributions							7,209.01

	Period ended 12/31/2012	Year to date* 12/31/2012
Total net short-term gain (loss)	0.00	(109.77)
Total net long-term gain (loss)	(268.26)	119,371.22
Total long-term capital gain distributions	7,209.01	7,209.01
Total Gain (Loss)	6,940.75	126,470.46

* Fiscal year ending December 31

BAIRD FOUNDATION BOARD OF DIRECTORS--2012

Stephanie Adamson
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Tucson, AZ 85721-0006

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Tucson, AZ 85716

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