

**Return of Private Foundation**

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

**2000**

Department of the Treasury  
Internal Revenue Service

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

For calendar year 2000, or tax year beginning 7/01, 2000, and ending 6/30, 2001

G Check all that apply:  Initial return  Final return  Amended return  Address change  Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

**ADELLE DAVIS FOUNDATION**  
615 LAS TUNAS DRIVE A  
ARCADIA, CA 91007

A Employer identification number

**23-7262117**

B Telephone number (see page 10 of the Instructions)

**626-445-8406**

C If exemption application is pending, check here

D 1. Foreign organizations, check here

2. Foreign organizations meeting the 85% test, check here and attach computation

E If private foundation status was terminated under section 507(b)(1)(A), check here

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

H Check type of organization:  Section 501(c)(3) exempt private foundation  
 Section 4947(a)(1) nonexempt charitable trust  Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16)

**\$ 1,869,149**

J Accounting method:  Cash  Accrual

Other (specify) \_\_\_\_\_

(Part I, column (d) must be on cash basis.)

<b>Part I Analysis of Revenue &amp; Expenses</b> (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in col. (a) (see page 10 of the 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 sch.)				
2	Distributions from split-interest trusts				
3	Interest on savings and temporary cash investments	21,140	21,140	N/A	
4	Dividends and interest from securities	26,435	26,435		
5a	Gross rents	44,900	44,900		
b	(Net rental income or (loss) <u>85,059</u> )				
6a	Net gain or (loss) from sale of assets not on line 10	-39,870	See Stmt. 1		
b	Gross sales price for all assets on line 6a <u>127,542</u>				
7	Capital gain net income (from Part IV, line 2)		0		
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) See St. 2	18,236			
12	<b>Total.</b> Add lines 1 through 11	70,841	92,475		
13	Compensation of officers, directors, trustees, etc.	20,250			20,250
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule) See Stmt. 3	4,125			4,125
b	Accounting fees (attach schedule) See Stm. 4	8,000			8,000
c	Other professional fees (attach schedule) St. 5	12,000			12,000
17	Interest				
18	Taxes (attach sch.) (see pg. 14 of instr.) See Stm. 6	6,542	6,482		60
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings	10,986			10,986
22	Printing and publications				
23	Other expenses (attach schedule) See Stm. 7	4,057			4,057
24	<b>Total operating and administrative expenses.</b> Add lines 13 through 23	65,960	6,482		59,478
25	Contributions, gifts, grants paid See Part. XV	39,500			39,500
26	<b>Total expenses and disbursements.</b> Add lines 24 and 25	105,460	6,482		98,978
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	-34,619			
b	Net Investment Income (if negative, enter -0-)		85,993		
c	Adjusted net income (if negative, enter -0-)				

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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 (a) Book Value	End of year (b) Book Value (c) Fair Market Value		
ASSETS	1	Cash - non-interest-bearing .....			
	2	Savings and temporary cash investments .....	297,646	277,632	277,632
	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 page 15 of the instructions) .....	65,000	65,000	
	7	Other notes and loans receivable (attach sch.) ▶ 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 (att. sch.) .....			
	b	Investments - corporate stock (attach schedule) .....	432,603	415,490	421,517
	c	Investments - corporate bonds (attach schedule) .....	41,351	41,351	
	11	Investments - land, buildings, and equipment: basis ▶ Statement 8 894,394 Less: accumulated depreciation (attach schedule) ▶	894,394	894,394	1,170,000
	12	Investments - mortgage loans .....			
	13	Investments - other (attach schedule) .....			
	14	Land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
15	Other assets (describe ▶)				
16	<b>Total assets</b> (to be completed by all filers - see pg. 16 of the instructions Also, see page 1, item i) .....	1,730,994	1,693,867	1,869,149	
LIABILITIES	17	Accounts payable and accrued expenses .....	8,822	17,314	
	18	Grants payable .....	11,000		
	19	Deferred revenue .....			
	20	Loans from officers, directors, trustees, & other disqual. persons .....			
	21	Mortgages and other notes payable (attach schedule) .....			
	22	Other liabilities (describe ▶)			
23	<b>Total liabilities</b> (add lines 17 through 22) .....	19,822	17,314		
NET ASSET BALANCES	Organizations 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 .....			
	Organizations 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 .....			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund .....			
	29	Retained earnings, accumulated income, endowment, or other funds .....	1,711,172	1,676,553	
30	<b>Total net assets or fund balances</b> (see page 17 of the instructions) .....	1,711,172	1,676,553		
31	<b>Total liabilities and net assets/fund balances</b> (see page 17 of the instructions) .....	1,730,994	1,693,867		

**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	1,711,172
2	Enter amount from Part I, line 27a .....	2	-34,619
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3 .....	4	1,676,553
5	Decreases not included in line 2 (itemize) ▶	5	
6	<b>Total net assets or fund balances at end of year</b> (line 4 minus line 5) - Part II, column (b), line 30 .....	6	1,676,553

**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				
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				(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				
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	-39,870	
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 pages 13 and 17 of the 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.)

N/A

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

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No  
If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
1999			
1998			
1997			
1996			
1995			
2 Total of line 1, column (d)			2
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
4 Enter the net value of noncharitable-use assets for 2000 from Part X, line 5			4
5 Multiply line 4 by line 3			5
6 Enter 1% of net investment income (1% of Part I, line 27b)			6
7 Add lines 5 and 6			7
8 Enter qualifying distributions from Part XII, line 4			8

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 on page 18.

**Part VI Excise Tax Based on Investment Income** (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 18 of the instructions)

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling letter: _____ (attach copy of ruling letter if necessary - see instructions)		
b Domestic organizations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	1,720
c All other domestic organizations 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	1,720
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	1,720
6 Credits/Payments:		
a 2000 estimated tax payments & 1999 overpayment credited to 2000	6a	
b Exempt foreign organizations - tax withheld at source	6b	
c Tax paid with application for extension of time to file (Form 8868)	6c	1,747
d Backup withholding erroneously withheld	6d	
7 Total credits and payments. Add lines 6a through 6d	7	1,747
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	27
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	
11 Enter the amount of line 10 to be: Credited to 2001 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the organization 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 organization in connection with the activities.		X
c Did the organization 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 organization. ▶ \$ 0 (2) On the organization managers. ▶ \$ 0		
e Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers. ▶ \$ 0		
2 Has the organization 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 organization 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 organization 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?		N/A
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 organization have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, column (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ N/A		
b If the answer is "Yes" to line 7, has the organization 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 organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2000 or the taxable year beginning in 2000 (see instructions for Part XIV on page 25)? 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
11 Did the organization comply with the public inspection requirements for its annual returns and exemption application?		X
12 The books are in care of ▶ <u>STEPHEN E. THURMAN, CPA</u> Telephone No. ▶ <u>626-445-8406</u> Located at ▶ <u>615 LAS TUNAS DRIVE ARCADIA, CA 91007</u> ZIP + 4 ▶ <u>91007</u>		
13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year	13	N/A

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.

1 a During the year did the organization (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?
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?
c Did the organization 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 2000?
2 Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):
a At the end of tax year 2000, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2000?
b Are there any years listed in 2a for which the organization is not applying the provisions of section 4942 (a)(2) (relating to incorrect valuation of assets) to the year's undistributed income?
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.
3 a Did the organization 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 2000 as a result of (1) any purchase by the organization 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?
4 a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the organization 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 2000?
5 a During the year did the organization pay or incur any amount to:
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?
(3) Provide a grant to an individual for travel, study, or other similar purposes?
(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)?
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?
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 page 20 of the instructions)?
c If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant?
6 a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?
b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?
If you answered "Yes" to 6b, also file Form 8870.

**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 page 20 of the 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 Statement 9		20,250	0	0

**2 Compensation of five highest-paid employees (other than those included on line 1 - see page 21 of the 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 . . . . . ▶

**3 Five highest-paid independent contractors for professional services - (see page 21 of the instructions). If none, enter "NONE."**

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

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

**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 SCHOLARSHIP GRANT - BRIGHAM YOUNG UNIVERSITY	19,500
2 SCHOLARSHIP GRANT - CALIFORNIA STATE UNIVERSITY, LOS ANGELES	20,000
3	
4	

**Part IX-B Summary of Program-Related Investments** (see page 22 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
<b>1</b> N/A	
<b>2</b>	
All other program-related investments. See page 22 of the instructions	
<b>3</b>	

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 22 of the instructions.)

<b>1</b> Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b> Average monthly fair market value of securities	<b>1a</b>	424,046
<b>b</b> Average of monthly cash balances	<b>1b</b>	287,639
<b>c</b> Fair market value of all other assets (see page 23 of the instructions)	<b>1c</b>	1,170,000
<b>d Total</b> (add lines 1a, b, and c)	<b>1d</b>	1,881,685
<b>e</b> Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	0
<b>2</b> Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0
<b>3</b> Subtract line 2 from line 1d	<b>3</b>	1,881,685
<b>4</b> Cash deemed held for charitable activities - Enter 1 1/2% of line 3 (for greater amount, see page 23 of the instructions)	<b>4</b>	28,225
<b>5 Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	1,853,460
<b>6 Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	92,673

**Part XI Distributable Amount** (see page 23 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part.)

<b>1</b> Minimum investment return from Part X, line 6	<b>1</b>	92,673
<b>2a</b> Tax on investment income for 2000 from Part VI, line 5	<b>2a</b>	1,720
<b>b</b> Income tax for 2000. (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b> Add lines 2a and 2b	<b>2c</b>	1,720
<b>3</b> Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	90,953
<b>4a</b> Recoveries of amounts treated as qualifying distributions	<b>4a</b>	
<b>b</b> Income distributions from section 4947(a)(2) trusts	<b>4b</b>	
<b>c</b> Add lines 4a and 4b	<b>4c</b>	
<b>5</b> Add lines 3 and 4c	<b>5</b>	90,953
<b>6</b> Deduction from distributable amount (see page 23 of the instructions)	<b>6</b>	
<b>7 Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and Part XIII, line 1	<b>7</b>	90,953

**Part XII Qualifying Distributions** (see page 24 of the instructions)

<b>1</b> Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b> Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	98,978
<b>b</b> Program-related investments - total of lines 1 - 3 of Part IX-B	<b>1b</b>	
<b>2</b> Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc. purposes	<b>2</b>	
<b>3</b> Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b> Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b> Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4 Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4.	<b>4</b>	98,978
<b>5</b> Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 24 of the instructions)	<b>5</b>	
<b>6 Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	98,978

**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 page 24 of the instructions)

	(a) Corpus	(b) Years prior to 1999	(c) 1999	(d) 2000
1 Distributable amount for 2000 from Part XI, line 7 . . . . .				90,953
2 Undistributed income, if any, as of the end of 1999:				
a Enter amount for 1999 only . . . . .			98,270	
b Total for prior years: 19____, 19____, 19____		0		
3 Excess distributions carryover, if any, to 2000:				
a From 1995 . . . . .				
b From 1996 . . . . .				
c From 1997 . . . . .				
d From 1998 . . . . .				
e From 1999 . . . . .				
f Total of lines 3a through e . . . . .	0			
4 Qualifying distributions for 2000 from Part XII, line 4: ▶ \$ 98,978				
a Applied to 1999, but not more than line 2a . . . . .			98,270	
b Applied to undistributed income of prior years (Election required - see page 25 of the instructions) . . . . .		0		
c Treated as distributions out of corpus (Election required - see page 25 of the instructions) . . . . .	0			
d Applied to 2000 distributable amount . . . . .				708
e Remaining amount distributed out of corpus . . . . .	0			
5 Excess distributions carryover applied to 2000 . . . . . (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 page 25 of the instructions . . . . .		0		
e Undistributed income for 1999. Subtract line 4a from line 2a. Taxable amount - see pg. 25 of the instructions			0	
f Undistributed income for 2000. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2001 . . . . .				90,245
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 25 of the instructions) . . . . .	0			
8 Excess distributions carryover from 1995 not applied on line 5 or line 7 (see page 25 of the instructions) . . . . .	0			
9 Excess distributions carryover to 2001. Subtract lines 7 and 8 from line 6a . . . . .	0			
10 Analysis of line 9:				
a Excess from 1996 . . . . .				
b Excess from 1997 . . . . .				
c Excess from 1998 . . . . .				
d Excess from 1999 . . . . .				
e Excess from 2000 . . . . .				



**Part XIV Private Operating Foundations** (see page 25 of the 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 2000, enter the date of the ruling ▶
- b Check box to indicate whether the organization is a private operating foundation described in section  4942(j)(3) or  4942(j)(5).

	Tax year		Prior 3 years		(e) Total
	(a) 2000	(b) 1999	(c) 1998	(d) 1997	
2 a Enter the lesser of the adjusted net income from Part I or the min. 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 Amts incld 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 min. 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 organization had \$5,000 or more in assets at any time during the year - see page 26 of the 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 organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc., (see page 26 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

- a The name, address, and telephone number of the person to whom applications should be addressed:
- b The form in which applications should be submitted and information and materials they should include:
- c Any submission deadlines:

- NONE**
- d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

**Part XV** Supplementary Information (continued)

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year BRIGHAM YOUNG UNIVERSITY S221 EYRING SCI CTR P.O. 24 PROVO, UTAH 84402	NON-PROFIT 501(C)		SCHOLARHIP GRANT - FOOD SCIENCE AND NUTRITION	19,500
CALIFORNIA STATE UNIV, L. A 5151 STATE COLLEGE DRIVE LOS ANGELES, CA	NON PROFIT 501(C)		SCHOLARSHIP GRANT - FOOD SCIENCE AND NUTRITION	20,000
<b>Total</b> .....				<b>39,500</b> ▶ 3a
b Approved for future payment				
<b>Total</b> .....				▶ 3b





# Underpayment of Estimated Tax by Corporations

Department of the Treasury  
Internal Revenue Service

▶ **Instructions are separate. See page 4 for Paperwork Reduction Act Notice**  
▶ **Attach to the corporation's tax return.**

**2000**

Name **ADELLE DAVIS FOUNDATION** Employer identification number **23-7262117**

**Note:** In most cases, the corporation does not need to file Form 2220. (See Part I below for exceptions.) The IRS will figure any penalty owed and bill the corporation. If the corporation does not need to file Form 2220, it may still use it to figure the penalty. Enter the amount from line 34 on the estimated tax penalty line of the corporation's income tax return, but do not attach Form 2220.

**Part I: Reasons For Filing** - Check the boxes below that apply to the corporation. If any boxes are checked, the corporation must file Form 2220, even if it does not owe the penalty. If the box on line 1 or line 2 applies, the corporation may be able to lower or eliminate the penalty. See page 1 of the instructions.

- 1  The corporation is using the annualized income installment method.
- 2  The corporation is using the adjusted seasonal installment method.
- 3  The corporation is a "large corporation" figuring its first required installment based on the prior year's tax.

**Note:** The corporation must also file Form 2220 if it has a research credit allowed for the current year. See the instructions for line 4 on page 2.

**Part II: Figuring the Underpayment**

<b>4</b> Total tax (see page 2 of the instructions) .....					<b>4</b> 1,720
<b>5a</b> Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 4 .....	<b>5a</b>				
<b>b</b> Interest included on line 4 due under the look-back method of section 460(b)(2) for completed long-term contracts or of section 167(g) for property depreciated under the income forecast method .....	<b>5b</b>				
<b>c</b> Credit for Federal tax paid on fuels (see page 2 of the instructions) .....	<b>5c</b>				
<b>d</b> Total. Add lines 5a through 5c .....				<b>5d</b>	
<b>6</b> Subtract line 5d from line 4. If the result is less than \$500, do not complete or file this form. The corporation does not owe the penalty .....					<b>6</b> 1,720
<b>7</b> Enter the tax shown on the corporation's 1999 income tax return. <b>Caution:</b> see page 2 of the instructions before completing this line .....					<b>7</b>
<b>8</b> Enter the smaller of line 6 or line 7. If the corporation must skip line 7, enter the amount from line 6 on line 8 .....					<b>8</b> 1,720
<b>9</b> <b>Installment due dates.</b> Enter in columns (a) through (d) the 15th day of the 4th (Form 990-PF filers: Enter 5th month), 6th, 9th, and 12th months of the corporation's tax year .....		(a)	(b)	(c)	(d)
	<b>9</b>	11/15/00	12/15/00	3/15/01	6/15/01
<b>10</b> <b>Required installments.</b> If the box on line 1 and/or line 2 above is checked, enter the amounts from Schedule A, line 41. If the box on line 3 (but not 1 or 2) is checked, see page 3 of the instructions for the amounts to enter. If none of these boxes are checked, enter 25% of line 8 above in each column .....					
	<b>10</b>	430	430	430	430
<b>11</b> Estimated tax paid or credited for each period (see page 3 of the instructions). For column (a) only, enter the amount from line 11 on line 15 .....					
	<b>11</b>				
<b>12</b> Enter amount, if any, from line 18 of the preceding col.					
<b>13</b> Add lines 11 and 12 .....					
<b>14</b> Add amounts on lines 16 and 17 of the preceding col.			430	860	1,290
<b>15</b> Subtract line 14 from line 13. If zero or less, enter -0- .....		0	0	0	0
<b>16</b> If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0- .....			430	860	
<b>17</b> <b>Underpayment.</b> If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18 .....		430	430	430	430
<b>18</b> <b>Overpayment.</b> If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next col.					
	<b>18</b>				

**Complete Part III on page 2 to figure the penalty. If there are no entries on line 17, no penalty is owed.**

**Part III Figuring the Penalty**

	(a)	(b)	(c)	(d)
<b>19</b> Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see page 3 of the instr). (Form 990-PF & Form 990-T filers: Use 5th month instead of 3rd month.)	19 11/15/01	11/15/01	11/15/01	11/15/01
<b>20</b> Number of days from due date of installment on line 9 to the date shown on line 19	20 365	335	245	153
<b>21</b> No. of days on line 20 after 4/15/00 and before 1/1/01	21 46	16		
<b>22</b> Underpayment on line 17 x $\frac{\text{No. of days on line 21} \times 9\%}{365}$	22 \$ 4.86	\$ 1.69	\$	\$
<b>23</b> No. of days on line 20 after 12/31/00 and before 4/1/01	23 90	90	16	
<b>24</b> Underpayment on line 17 x $\frac{\text{No. of days on line 23} \times 9\%}{365}$	24 \$ 9.54	\$ 9.54	\$ 1.70	\$
<b>25</b> No. of days on line 20 after 3/31/01 and before 7/1/01	25 91	91	91	15
<b>26</b> Underpayment on line 17 x $\frac{\text{No. of days on line 25} \times \%}{365}$	26 \$	\$	\$	\$
<b>27</b> No. of days on line 20 after 6/30/01 and before 10/1/01	27 92	92	92	92
<b>28</b> Underpayment on line 17 x $\frac{\text{No. of days on line 27} \times \%}{365}$	28 \$	\$	\$	\$
<b>29</b> No. of days on line 20 after 9/30/01 & before 1/1/02	29 46	46	46	46
<b>30</b> Underpayment on line 17 x $\frac{\text{No. of days on line 29} \times \%}{365}$	30 \$	\$	\$	\$
<b>31</b> No. of days on line 20 after 12/31/01 & before 2/16/02	31			
<b>32</b> Underpayment on line 17 x $\frac{\text{No. of days on line 31} \times \%}{365}$	32 \$	\$	\$	\$
<b>33</b> Add lines 22, 24, 26, 28, 30, and 32	33 \$ 14.40	\$ 11.23	\$ 1.70	\$
<b>34</b> Penalty. Add columns (a) through (d), of line 33. Enter the total here and on Form 1120, line 33; Form 1120-A, line 29; or the comparable line for other income tax returns			34 \$	27

\* For underpayments paid after March 31, 2001: For lines 26, 28, 30, and 32, use the penalty interest rate for each calendar quarter that the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS Web Site at [www.irs.gov](http://www.irs.gov). You can also call 1-800-829-1040 to get interest rate information.

Client 0001

ADELLE DAVIS FOUNDATION

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**Statement 1**  
**Form 990-PF, Part I, Line 6**  
**Net Gain (Loss) from Noninventory Sales**

Publicly Traded Securities:

Gross sales price:	127,542		
Cost or other basis:	167,412		
Gain (Loss)			\$ -39,870
Total Gain (Loss)			<u>\$ -39,870</u>

**Statement 2**  
**Form 990-PF, Part I, Line 11**  
**Other Income**

MKISC .....	\$	17,105
ROYALTIES .....		1,131
	Total	<u>\$ 18,236</u>

**Statement 3**  
**Form 990-PF, Part I, Line 16a**  
**Legal Fees**

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
LEGAL FEES-MYERS & D'ANGE	\$ 4,125			4,125
Totals	<u>\$ 4,125</u>			<u>4,125</u>

**Statement 4**  
**Form 990-PF, Part I, Line 16b**  
**Accounting Fees**

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
STEPHEN E. THURMAN, CPA	\$ 8,000			8,000
Totals	<u>\$ 8,000</u>			<u>8,000</u>

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Statement 5  
Form 990-PF, Part I, Line 16c  
Other Professional Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
INVESTMENT SERVICES	\$ 12,000			12,000
Totals	\$ 12,000			12,000

Statement 6  
Form 990-PF, Part I, Line 18  
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
INTERNAL REVENUE SERVICE	\$ 1,741	1,741		
PROPERTY TAXES	4,741	4,741		
FILING FEES-STATE OF CALI	60			60
Totals	\$ 6,542	6,482		60

Statement 7  
Form 990-PF, Part I, Line 23  
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Rental expenses	\$ 4,057			4,057
Totals	\$ 4,057			4,057

Statement 8  
Form 990-PF, Part II, Line 11  
Investments - Land, Buildings, and Equipment

Asset	Basis	Accum. Deprec.	Book Value	Fair Mkt. Value
Land	\$ 894,394		894,394	1,170,000
Total	\$ 894,394	0	894,394	1,170,000



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Statement 9  
Form 990-PF, Part VIII, Line 1  
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title & avg. Hrs/wk devoted	Comp.	Employee Ben. Pln Contrib.	Expense Account/ Other
STEPHEN E. THURMAN 144 WEST LEMON AVENUE ARCADIA, CA 91007	President 20	\$ 6,500	0	0
KIRTPATRICK DILLING 1120 LEE ROAD NORRTHYBROOK, IL 60062	Vice President None	5,500	0	0
ELIZABETH DILLING 1120 LEE ROAD NORTHBROOK, IL 60062	Secretary None	8,250	0	0
	Total	\$ 20,250	0	0

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**REVENUE PER BOOKS**

Interest on savings/temp cash invest . . . . .	21,140
Dividends & interest from securities . . . . .	26,435
Gross rents . . . . .	44,900
Net gain (loss) - noninv. assets/disp. . . . .	-39,870
Other income . . . . .	18,236
 Total revenue . . . . .	 70,841

**EXPENSES PER BOOKS**

Compensation of officers, dir, etc . . . . .	20,250
Legal fees . . . . .	4,125
Accounting fees . . . . .	8,000
Other professional fees . . . . .	12,000
Taxes . . . . .	6,542
Travel, conferences, and meetings . . . . .	10,986
Other expenses . . . . .	4,057
Total operating/administrative exp . . . . .	65,960
Contributions, gifts, grants paid . . . . .	39,500
 Total expenses . . . . .	 105,460
 Excess of revenue over expenses . . . . .	 -34,619

**NET INVESTMENT REVENUE**

Interest on savings/temp cash invest . . . . .	21,140
Dividends & interest from securities . . . . .	26,435
Gross rents . . . . .	44,900
 Total revenue . . . . .	 92,475

**NET INVESTMENT EXPENSES**

Taxes . . . . .	6,482
Total operating/administrative exp . . . . .	6,482
 Total expenses . . . . .	 6,482
 Net investment income . . . . .	 85,993

**TAX COMPUTATION**

Tax on net investment income . . . . .	1,720
Tax on investment income . . . . .	1,720

**PAYMENTS AND CREDITS**

Tax paid with extension . . . . .	1,747
 Total payments and credits . . . . .	 1,747

**REFUND OR AMOUNT DUE**

Overpayment . . . . .	27
Underpayment penalty . . . . .	27

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Tax due . . . . .	0
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**TAX RATES**

Marginal tax rate . . . . .	2.0%
Effective tax rate . . . . .	2.0%

**ADJUSTED NET INCOME REVENUE**

Total revenue . . . . .	0
-------------------------	---

**ADJUSTED NET INCOME EXPENSES**

Total operating/administrative exp . . . . .	0
--	---

Total expenses . . . . .	0
--------------------------	---

Adjusted net income . . . . .	0
-------------------------------	---

**CHARITABLE PURPOSES DISBURSEMENTS**

Compensation of officers, dir, etc . . . . .	20,250
Legal fees . . . . .	4,125
Accounting fees . . . . .	8,000
Other professional fees . . . . .	12,000
Taxes . . . . .	60
Travel, conferences, and meetings . . . . .	10,986
Other expenses . . . . .	4,057
Total operating/administrative exp . . . . .	59,478

Contributions, gifts, grants paid . . . . .	39,500
---	--------

Total expenses and disbursements . . . . .	98,978
--	--------

**NET ASSETS OR FUND BALANCES**

Net assets/fund bal. at beg. of year . . . . .	1,711,172
Excess of revenue over expenses . . . . .	-34,619
Net assets/fund bal. at end of year . . . . .	1,676,553

# Application for Extension of Time to File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

▶ 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).

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

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

**Note:** Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization		Employer Identification Number
	ADELLE DAVIS FOUNDATION		23-7262117
	Number, Street, and Room or Suite Number. If a P.O. Box, see instructions		
	615 LAS TUNAS DRIVE A		
City, Town or Post Office. For a foreign address, see instructions.			State ZIP Code
ARCADIA, CA 91007			

Check type of return to be filed (file a separate application for each return):

- |   |  |                                    |
|---|--|------------------------------------|
| <input type="checkbox"/> Form 990               | <input type="checkbox"/> Form 990-T (corporation)                    | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL            | <input type="checkbox"/> Form 990-T (Section 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ            | <input type="checkbox"/> Form 990-T (trust other than above)         | <input type="checkbox"/> Form 6069 |
| <input checked="" type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A                                 | <input type="checkbox"/> Form 8870 |

- 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 will cover.

1 I request an automatic 3-month (6-month, for 990-T corporation) extension of time until 11/30, 20 01, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶  calendar year 20 \_\_\_\_ or

▶  tax year beginning 7/01, 20 00, and ending 6/30, 20 01.

2 If this tax year 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 ..... \$ 1,747

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit ..... \$ 1,747

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions ..... \$ 0

**Signature and Verification**

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, and that I am authorized to prepare this form.

Signature ▶ *Steph S. V...* Title ▶ President Date ▶ 11-15-01

KFA For Paperwork Reduction Act Notice, see instructions.