

Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation****Note:** The organization may be able to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0052

2003**For calendar year 2003, or tax year beginning** NOVEMBER 1 , 2003, **and ending** OCTOBER 31 , 20 04**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.**

Name of organization

KEN W. DAVIS FOUNDATION

Number and street (or P.O. box number if mail is not delivered to street address)

PO BOX 3419

Room/suite

City or town, state, and ZIP code

FORT WORTH TX 76113

A Employer identification number

75-6012722

B Telephone number (see page 10 of the instructions)**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) **\$****J** Accounting method: ☐ Cash ☒ Accrual
☐ Other (specify) _____
(Part I, column (d) must be on cash basis)**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 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 schedule)
Check ☐ if the foundation is **not** required to attach Sch. B . . .**2** Distributions from split-interest trusts**3** Interest on savings and temporary cash investments**4** Dividends and interest from securities**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 _____**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) **ROYALTY INCOME****12** **Total.** Add lines 1 through 11**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)**c** Other professional fees (attach schedule)**17** Interest**18** Taxes (attach schedule) (see page 13 of the instructions)**19** Depreciation (attach schedule) and depletion**20** Occupancy**21** Travel, conferences, and meetings**22** Printing and publications**23** Other expenses (attach schedule)**24** **Total operating and administrative expenses.**

Add lines 13 through 23

25 Contributions, gifts, grants paid**26** **Total expenses and disbursements.** Add lines 24 and 25**27** Subtract line 26 from line 12:**a** Excess of revenue over expenses and disbursements**b** Net investment income (if negative, enter -0-)**c** Adjusted net income (if negative, enter -0-)**For Paperwork Reduction Act Notice, see the instructions.**Form **990-PF** (2003)

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	341,852	287,158	287,158		
	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 page 15 of the instructions)					
	7 Other notes and loans receivable (attach schedule) ▶					
	Less: allowance for doubtful accounts ▶					
	8 Inventories for sale or use					
	9 Prepaid expenses and deferred charges					
	10a Investments — U.S. and state government obligations (attach schedule)					
	b Investments — corporate stock (attach schedule)	2,530,412	2,457,853	2,639,180		
	c Investments — corporate bonds (attach schedule)	1,052,134	1,407,486	1,619,704		
	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 ▶ 7,073						
Less: accumulated depreciation (attach schedule) ▶ 7,073	0	0	545,656			
15 Other assets (describe ▶)						
16 Total assets (to be completed by all filers — see page 16 of the instructions. Also, see page 1, item I)	3,924,398	4,152,497	5,091,698			
Liabilities	17 Accounts payable and accrued expenses					
	18 Grants payable					
	19 Deferred revenue					
	20 Loans from officers, directors, trustees, and other disqualified persons					
	21 Mortgages and other notes payable (attach schedule)					
	22 Other liabilities (describe ▶)					
23 Total liabilities (add lines 17 through 22)	0	0				
Net Assets or Fund 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 type="checkbox"/> and complete lines 27 through 31.					
	27 Capital stock, trust principal, or current funds	1,038,548	1,038,548			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund ...					
	29 Retained earnings, accumulated income, endowment, or other funds	2,885,850	3,113,949			
30 Total net assets or fund balances (see page 17 of the instructions)	3,924,398	4,152,497				
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	3,924,398	4,152,497				

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	3,924,398
2 Enter amount from Part I, line 27a	2	228,099
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	4,152,497
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	4,152,497

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 APPLEGATE TRANSACTIONS	P	VARIOUS	VARIOUS
b LAZARD TRANSACTIONS	P	VARIOUS	VARIOUS
c WERTHEIM SCHRODER EQUITY PARTNERS	P	VARIOUS	VARIOUS
d FED SEC TRUST SHARES	P	VARIOUS	VARIOUS
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 INV MGR TRANSACTIONS			25,457
b INV MGR TRANSACTIONS			2,090
c FLOW THROUGH PARTNERSHIP			175,654
d 150,505		140,448	10,057
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			25,457
b			2,090
c			175,654
d			10,057
e			

2 Capital gain net income or (net capital loss)	<div> <div>If gain, also enter in Part I, line 7 . . .</div> <div>If (loss), enter -0- in Part I, line 7 . . .</div> </div>	2	213,258
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.)

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 17 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))
2002	217,417	4,586,535	0.04740332
2001	214,453	4,663,679	0.04598365
2000	200,180	4,563,956	0.04386107
1999	184,740	4,146,560	0.04455259
1998	188,964	3,997,121	0.04727504

2 Total of line 1, column (d)	2	0.22907567
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	0.04581513
4 Enter the net value of noncharitable-use assets for 2003 from Part X, line 5	4	4,951,046
5 Multiply line 4 by line 3	5	226,833
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,660
7 Add lines 5 and 6	7	231,493
8 Enter qualifying distributions from Part XII, line 4 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 17.	8	235,895

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 — see page 17 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 checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	4,660
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	
3 Add lines 1 and 2		3	4,660
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	4,660
6 Credits/Payments:			
a 2003 estimated tax payments and 2002 overpayment credited to 2003	6a	2,804	
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	2,804	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	0	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	1,856	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0	
11 Enter the amount of line 10 to be: Credited to 2004 estimated tax <input checked="" type="checkbox"/> Refunded <input type="checkbox"/>	11	0	

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 18 of the 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 organization in connection with the activities.</i>		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. ▶ \$ _____ (2) On organization managers. ▶ \$ _____		
e Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers. ▶ \$ _____		
2 Has the organization 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 organization 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 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?		
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 organization 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 page 19 of the instructions) ▶ TEXAS, NEW MEXICO		
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? <i>If "No," attach explanation</i>	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 2003 or the taxable year beginning in 2003 (see instructions for Part XIV on page 25)? <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
11 Did the organization comply with the public inspection requirements for its annual returns and exemption application? Web site address ▶ WWW.FDCENTER.ORG/GRANTMAKER/DAVIS		
12 The books are in care of ▶ DAVID WHITNEY Telephone no. ▶ 817-443-4081 Located at ▶ PO BOX 3419, FORT WORTH, TX ZIP+4 ▶ 76113-3419		
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		

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 organization (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the organization agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1) - (6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 19 of the instructions)? 1b		
Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>		
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 2003? 1c		X
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 2003, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2003? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If "Yes," list the years ► 20 _____, 20 _____, 20 _____, 19 _____		
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? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement — see page 19 of the instructions.) 2b		
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20 _____, 20 _____, 20 _____, 19 _____		
3a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2003 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? (Use Schedule C, Form 4720, to determine if the organization had excess business holdings in 2003.) 3b		
4a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes? 4a		X
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 2003? 4b		X
5a 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))? . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Provide a grant to an individual for travel, study, or other similar purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 page 20 of the instructions)? 5b		
Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>		
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? <input type="checkbox"/> Yes <input type="checkbox"/> No		
If "Yes," attach the statement required by Regulations section 53.4945-5(d).		
6a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 6b		X
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 2				

2 Compensation of five highest-paid employees (other than those included on line 1 — see page 20 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 **0**

3 Five highest-paid independent contractors for professional services — (see page 20 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 **0**

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments (see page 21 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2		Amount
1	----- ----- -----	
2	----- ----- -----	
3	All other program-related investments See page 21 of the instructions ----- -----	
Total. Add lines 1 through 3		▶

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 21 of the 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 4,194,564
b	Average of monthly cash balances	1b 286,223
c	Fair market value of all other assets (see page 22 of the instructions)	1c 545,656
d	Total (add lines 1a, b, and c)	1d 5,026,443
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
3	Subtract line 2 from line 1d	3 5,026,443
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 23 of the instructions)	4 75,397
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5 4,951,046
6	Minimum investment return. Enter 5% of line 5	6 247,552

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.)

1	Minimum investment return from Part X, line 6	1 247,552
2a	Tax on investment income for 2003 from Part VI, line 5	2a 4,660
b	Income tax for 2003. (This does not include the tax from Part VI.)	2b
c	Add lines 2a and 2b	2c 4,660
3	Distributable amount before adjustments. Subtract line 2c from line 1	3 242,892
4a	Recoveries of amounts treated as qualifying distributions	4a
b	Income distributions from section 4947(a)(2) trusts	4b
c	Add lines 4a and 4b	4c
5	Add lines 3 and 4c	5 242,892
6	Deduction from distributable amount (see page 23 of the instructions)	6
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7 242,892

Part XII Qualifying Distributions (see page 23 of the 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 235,895
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	4 235,895
5	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)	5 4,660
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6 231,235

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 2002	(c) 2002	(d) 2003
1 Distributable amount for 2003 from Part XI, line 7				242,892
2 Undistributed income, if any, as of the end of 2002				
a Enter amount for 2002 only			174,555	
b Total for prior years 20 ____ , 20 ____ , 19 ____				
3 Excess distributions carryover, if any, to 2003:				
a From 1998				
b From 1999				
c From 2000				
d From 2001				
e From 2002				
f Total of lines 3a through e				
4 Qualifying distributions for 2003 from Part XII, line 4: ► \$ <u>235,895</u>				
a Applied to 2002, but not more than line 2a			174,555	
b Applied to undistributed income of prior years (Election required — see page 24 of the instructions)				
c Treated as distributions out of corpus (Election required — see page 24 of the instructions)				
d Applied to 2003 distributable amount				61,340
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2003 (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 page 24 of the instructions				
e Undistributed income for 2002. Subtract line 4a from line 2a. Taxable amount — see page 24 of the instructions			0	
f Undistributed income for 2003. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2004				181,552
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)				
8 Excess distributions carryover from 1998 not applied on line 5 or line 7 (see page 25 of the instructions)				
9 Excess distributions carryover to 2004. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 1999				
b Excess from 2000				
c Excess from 2001				
d Excess from 2002				
e Excess from 2003				

Part XIV Private Operating Foundations (see page 25 of the 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 2003, 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)

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				(e) Total
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	
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 $\frac{2}{3}$ 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 organization had \$5,000 or more in assets at any time during the year — see page 25 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).)

SEE STATEMENT 3

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 25 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:

KEN W. DAVIS FOUNDATION, PO BOX 3419, FORT WORTH, TX 76113-3419
817-332-4081

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

SEE STATEMENT 5

c Any submission deadlines:

OCTOBER 31

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

BASIC HUMAN NEEDS FOR THE FORT WORTH AND MIDLAND, TEXAS AREAS

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

Form **990-PF** (2003)

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 page 26 of the 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					
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)					
13	Total. Add line 12, columns (b), (d), and (e) 13 _____					

(See worksheet in line 13 instructions on page 26 to verify calculations.)

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

[illegible]


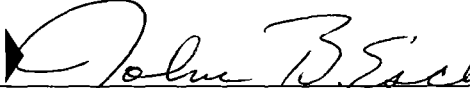
		Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
a	Transfers from the reporting organization to a noncharitable exempt organization of:		
	(1) Cash	1a(1)	X
	(2) Other assets	1a(2)	X
b	Other Transactions:		
	(1) Sales of assets to a noncharitable exempt organization	1b(1)	X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)	X
	(3) Rental of facilities, equipment, or other assets	1b(3)	X
	(4) Reimbursement arrangements	1b(4)	X
	(5) Loans or loan guarantees	1b(5)	X
	(6) Performance of services or membership or fundraising solicitations	1b(6)	X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c	X
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 organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.		

[illegible]

2a Is the organization 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	 Signature of officer or trustee	
	Paid Preparer's Use Only	Preparer's signature  Firm's name (or yours if self-employed), address, and ZIP code JOHN B. ESCH, 306 W. FORT WORTH, TX 76102

FORM 990-PF

STATEMENT 1

PART 1, LINE 18 TAXES

	<u>PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
AD VALOREM FEES	14,715	14,175
FEDERAL EXCISE TAXES	<u>2,000</u>	
TOTAL	<u>16,715</u>	<u>14,175</u>

PART 1, LINE 23 OTHER EXPENSES

	<u>PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>DISBUR.</u>
INVESTMENT FEES	16,573	16,573	
ADMIN. EXPENSES	<u>6,898 #</u>	<u>551</u>	<u>6,347</u>
TOTAL	<u>23,471</u>	<u>17,124</u>	<u>6,347</u>

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 2

NAME AND ADDRESS	TITLE AND AVG HRS/WK	COMPENSATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
KEN W. DAVIS, JR. PO BOX 831 FORT WORTH, TX 76101	PRESIDENT AS REQUIRED	0	0	0
T. C. DAVIS PO BOX 831 FORT WORTH, TX 76101	VICE-PRES AS REQUIRED	0	0	0
A. T. DAVIS PO BOX 831 FORT WORTH, TX 76101	VICE-PRES AS REQUIRED	0	0	0
ALAN K. DAVIS PO BOX 831 FORT WORTH, TX 76101	VICE-PRES AS REQUIRED	0	0	0
LORENE SMITH PO BOX 831 FORT WORTH, TX 76101	SECRETARY AS REQUIRED	0	0	0
E. K. KAUFMANN PO BOX 831 FORT WORTH, TX 76101	TREASURER AS REQUIRED	0	0	0
ALANA MARSH PO BOX 831 FORT WORTH, TX 76101	DIRECTOR AS REQUIRED	0	0	0
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		<u>0</u>	<u>0</u>	<u>0</u>

FORM 990-PF PART XV - LIST OF FOUNDATION MANAGERS - LINE A1

STATEMENT 3

NAME

KEN W. DAVIS, JR.

T. C. DAVIS

UNAUDITED
KEN W. DAVIS FOUNDATION
FORT WORTH, TEXAS
2003 - FORM 990-PF

STATEMENT 5

INFORMATION REGARDING CONTRIBUTION, GRANT, GIFT,
LOAN, AND SCHOLARSHIP PROGRAMS

PART XV, LINE 2(b)

The request should include a description of the recipient project or program of the charitable organization, the contribution goal of the project or program, the amount of the specific request, a copy of the charitable organization's most recent audited financial statements, most recent Form 990, Better Business Charity Report (if available), and most recent Annual Report (if available), and a copy of the organization's IRS determination letter documenting its exempt status.

KEN W. DAVIS FOUNDATION
GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR
OR APPROVED FOR FUTURE PAYMENT

Year 2003-04

Page 1

YE 10/31/04

Name and Address (Home/Business)	If recipient is an individual, show any relationship to any Foundation manager if substantial contributor	Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
a. Paid during the year Aids Outreach Center 801 W. Cannon Fort Worth TX 76104	n/a	509(a)(1)	Fund Legal Services Program	3,000.00
All Church Home 1424 Summit Avenue Fort Worth 76102	n/a	509(a)(1)	Fund Behaviorial Care Program	5,000 00
Big Brothers Big Sisters of Midland 1007 West Texas Avenue Midland 79701	n/a	503(a)(1)	Fund general operating expenses	2,000 00
Boys & Girls Club of Fort Worth 3218 Belknap St Ft Worth TX 111	n/a	509(a)(1)	Funds for purchase of furniture and equipment for upcoming expansion of facilities	3,575 10
Bread Basket Ministries P O Box 244 Fort Worth 76101	n/a	509(a)(1)	Fund general operating expenses	5,000.00
Buffalo Trail Council 1101 West Texas Midland 79701	n/a	509(a)(1)	Fund expansion of the Buffalo Trail Scout Ranch in the Davis Mountains	10,000 00
Bynum School Country Rd 60 West & Hw 158 Midland TX 79704	n/a	509(a)(1)	Fund general operating expenses	5,000 00
Casa de Amigos 1101 E Garden Lane Midland 79701	n/a	509(a)(1)	Funds for purchase of fundraising software	5,000 00
Cenikor Foundation Inc 2209 S Main St Fort Worth 76110	n/a	509(a)(1)	Fund operating expenses (3,000); fund purchase of a/c unit (2,500)	5,500 00
Child Advocates P O Box 3275 Fort Worth 76113	n/a	509(a)(1)	Fund general operating expenses	3,000 00
Childhelp South/Childhelp USA P O Box 400 Seymour TN 37865	n/a	509(a)(1)	Fund USA Foster Family Agency	5,000.00
Child Study Center 1300 W Lancaster Fort Worth 76102	n/a	509(a)(1)	Funds for purchase of a clinical and financial management software system	5,000.00

KEN W. DAVIS FOUNDATION
GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR
OR APPROVED FOR FUTURE PAYMENT

Year 2003/04

Page 2

YE 10/31/04

Name and Address (Home/Business)	If recipient is an individual, show any relationship to any Foundation manager if substantial contributor	Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
a. Paid during the year Christmas In Action P O Box 3744 Midland 79702	n/a	509(a)(1)	Fund Housing Repair Program	2,000.00
Community Children's Clinic P O Box 3328 Midland 79702	n/a	509(a)(1)	Fund general operating expenses	2,000 00
Community Hospice of Texas 6100 Western Pl Ste 500 Fort Worth 76107	n/a	509(a)(1)	Fund Capital Campaign	10,000 00
Cook Children's Medical Center 801 Seventh Avenue Fort Worth 76104	n/a	509(a)(1)	Fund to help purchase cribs for Newborn Intensive Care Unit	5,000.00
Conference of SW Foundations 3102 Maple Ave Ste 260 Dallas 75201	n/a	509(a)(2)	Partial funding for state of the art website	2,000.00
Conservative Caucus 450 Maple Avenue Rsdy Vienna VA 22180	n/a	509(a)(1)	Fund general operating expenses	4,000 00
Cornerstone Assistance Network 6924 Glenview Dr Fort Worth 76180	n/a	509(a)(1)	Purchase of new phone system	2,900 00
Council for National Policy 10329-A Democracy Lane Fairfax VA 2030	n/a	509(a)(1)	Fund general operating expenses	1,750 00
Day Resource Center for the Homeless P O Box 2323 Fort Worth 76113	n/a	509(a)(1)	Fund general operating expenses	1,500 00
Eagle Forum 316 Pennsylvania Ave., SE Washington DC 20003	n/a	509(a)(1)	Fund general operating expenses	1,000 00
Fort Worth Habitat For Humanity 2500 Lipscomb Street Fort Worth 76110	n/a	509(a)(1)	Purchase of tools	3,000.00
Funding Information Center 329 S Henderson St Fort Worth 76104	n/a	509(a)(1)	Fund general operating expenses	254 90

KEN W. DAVIS FOUNDATION
GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR
OR APPROVED FOR FUTURE PAYMENT

Year 2003/04

Page 3

YE 10/31/04

Name and Address (Home/Business)	If recipient is an individual, show any relationship to any Foundation manager if substantial contributor	Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
a Paid during the year Goodrich Center for the Deaf 2500 Lipscomb Street Fort Worth 76110	n/a	509(a)(1)	Fund general operating expenses	3,000.00
Grace 810 Shady Brook Dr Grapevine TX 76051	n/a	509(a)(1)	Partially fund upgrade of technology infrastructure	7,000 00
High Sky Children's Ranch 8701 West County Rd 60 Midland 79707	n/a	509(a)(1)	Fund general operating expenses	2,500 00
I Have A Dream Foundation 2101 Hulen St Fort Worth 76107	n/a	509(a)(1)	Fund general operating expenses	2,000 00
JMAC Youth Center 2714 Stalcup Road Fort Worth 76119	n/a	509(a)(1)	Funding to underwrite consulting services	835 00
Juvenile Diabetes Research Fd 10 Desta Dr Ste 270E Midland 79705	n/a	509(a)(1)	Fund general operating expenses	2,000 00
Kids Who Care 1300 Gendy St Fort Worth 76110	n/a	509(a)(1)	Fund the Hope Scholarship Program	3,000.00
Knox Area Rescue Ministry (KARM) P O Box 3352 Knoxville TN 37927	n/a	509(a)(1)	Fund general operating expenses	10,000.00
Leadership Institute 8001 Braddock Rd #502 Springfield VA 22151	n/a	509(a)(1)	Fund general operating expenses	10,000 00
Midland Area Aids Support 800 W Texas St Midland 79701	n/a	509(a)(3)	Fund general operating expenses	3,000.00
Midland Habitat For Humanity P O Box 2555 Midland 79702	n/a	509(a)(1)	Fund partial sponsorship of homes	3,000 00
Midland Memorial Foundation 2200 West Illinois Ave Midland 79701	n/a	509(a)(1)	Fund Children's Wellness Program	5,360.00

KEN W. DAVIS FOUNDATION
GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR
OR APPROVED FOR FUTURE PAYMENT

Year 2003/04

Page 4

YE 10/31/04

Name and Address (Home/Business)	If recipient is an individual, show any relationship to any Foundation manager if substantial contributor	Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
a. Paid during the year National MS Society 4086 Sandshell Dr Fort Worth 76137	n/a	509(a)(1)	Fund Wellness Program in Ft Worth	12,500 00
Nonprofit Service Center 3209 S University Dr Fort Worth 76109	n/a	509(a)(1)	Fund general operating expenses	27,500 00
Northside InterChurch Agency 1800 Circle Park Blvd Fort Worth 76106	n/a	509(a)(1)	Assist in the purchase of clothing and shoes for needy children	4,000 00
Parks Methodist Retirement Village One Village Dr Ste 102 Abilene TX 79702	n/a	(509(a)(1)	Fund equipment for the Lift Smart Program	3,900.00
Prevent Blindness Texas 329 S Henderson Fort Worth 76104	n/a	509(a)(1)	Purchase the special film needed for the Preverbal Children's Photoscreening Program	1,000 00
Philanthropy Roundtable 1150 17th Street, N.W., Ste 503 Washington DC 20036	n/a	509(a)(1)	Fund general operating expenses - annual membership	1,000 00
Recording Library for Blind 2012 W Cuthbert Aven Midland 79701	n/a	509(a)(1)	Funds to purchase HP printer	425 00
Safe Place of Permian Basin P O Box 11331 Midland 79702	n/a	509(a)(1)	Fund capital improvements	5,000 00
Survivors of Suicide (SOS) P O Box 331 Fort Worth TX 76101	n/a	509(a)(1)	Fund general operating expenses	2,000.00
The Foundation Center 79 Fifth Ave/16th Street New York NY 10003-3076	n/a	509(a)(1)	Fund general operating expenses - annual membership	1,000.00
The Parenting Center 2928 W Fifth St Fort Worth 76107	n/a	509(a)(1)	Fund the purchase of new security system	4,800 00
The Warm Place 809 Lipscomb St Fort Worth 76104	n/a	509(a)(1)	Fund general operating expenses	3,000.00

KEN W. DAVIS FOUNDATION
GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR
OR APPROVED FOR FUTURE PAYMENT

Year 2003/04

Page 5

YE 10/31/04

Name and Address (Home/Business)	If recipient is an individual, show any relationship to any Foundation manager if substantial contributor	Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
a. Paid during the year				
Tulsa Boys' Home P O Box 1101 Tusa OK 74101	n/a	509(a)(1)	Funds in support of TBH's Vision 2000 Capital Campaign-final payment	10,000 00
Union Gospel Mission P O Box 2144 Fort Worth 76113	n/a	509(a)(1)	Fund general operating expenses	2,000 00
Washington Legal Foundation 2009 Massachusetts Ave., N.W. Washington DC 20036	n/a	509(a)(1)	Fund general operating expenses	500 00
West Texas Geology Foundation P O Box 1595 Midland 79702	n/a	509(a)(1)	Fund Science Teachers Workshop	1,000 00
Women's Haven of Tarrant County P O Box 1456 Fort Worth 76101	n/a	509(a)(1)	Fund general operating expenses	3,000 00
KWDFD11/04			TOTAL PAID	\$ 226,800.00