

Form **990-PF**

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

OMB No 1545-0052

2005Department 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 2005, or tax year beginning NOVEMBER 1, 2005, and ending OCTOBER 31, 2006

G Check all that apply. ☐ Initial return ☐ Final return ☐ Amended return ☐ Address change ☐ Name changeUse 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

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)

(817) 332-4081

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 foundationI Fair market value of all assets at end
of year (from Part II, col (c),
line 16) **\$ 5,970,922.00**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 11 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)

Revenue

1 Contributions, gifts, grants, etc., received (attach schedule)

2 Check ☐ if the foundation is not required to attach Sch B

3 Interest on savings and temporary cash investments

4 Dividends and interest from securities

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, Inc.

12 Total. Add lines 1 through 11

11,478.00

11,478.00

173,207.00

173,207.00

102,654.00

102,654.00

325,235.00

325,235.00

612,574.00

612,574.00

Operating and Administrative Expenses

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 14 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-)

5,992.00

1,657.00

4,335.00

39,965.00

17,329.00

16,945.00

14,929.00

2,016.00

62,902.00

33,915.00

6,351.00

262,000.00

262,000.00

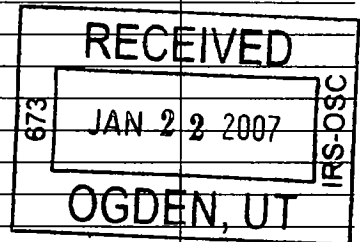
324,902.00

33,915.00

268,351.00

287,672.00

578,659.00



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

Form **990-PF** (2005)

Form 990-PF (2005)

Page **2**

Part II Balance Sheets <small>Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)</small>		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	292,865.00	319,116.00	319,116.00
	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) ..	1,733,260.00	1,876,421.00	2,078,492.00
	c Investments—corporate bonds (attach schedule) ..	2,558,609.00	2,676,869.00	2,777,053.00
	Liabilities	11 Investments—land, buildings, and equipment basis ▶		
Less accumulated depreciation (attach schedule) ▶				
12 Investments—mortgage loans				
13 Investments—other (attach schedule)				
14 Land, buildings, and equipment basis ▶ 7,073.00				
Less accumulated depreciation (attach schedule) ▶ 7,073.00				796,261.00
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)		4,584,734.00	4,872,406.00	5,970,922.00
17 Accounts payable and accrued expenses				
18 Grants payable				
Net Assets or Fund Balances	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶) ()			
	23 Total liabilities (add lines 17 through 22)			
	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	1,038,548.00	1,038,548.00		
28 Paid-in or capital surplus, or land, bldg, and equipment fund				
29 Retained earnings, accumulated income, endowment, or other funds	3,546,186.00	3,833,858.00		
30 Total net assets or fund balances (see page 17 of the instructions)	4,584,734.00	4,872,406.00		
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	4,584,734.00	4,872,406.00		

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	4,584,734.00
2 Enter amount from Part I, line 27a	2	287,672.00
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	4,872,406.00
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	4,872,406.00

Form **990-PF** (2005)

Form 990-PF (2005)

Page **3****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 FAYEZ SAROFIN	P	VARIOUS	VARIOUS
b			
c FORSTMANN LEFF	P		
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 INV MGR	TRANSACTIONS		37,809.00
b			
c INV MGR	TRANSACTIONS		64,845.00
d			
e			

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

(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	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			37,809.00
b			
c			64,845.00
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	102,654.00
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 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))
2004	236,101.00	5,383,737.00	0.0439%
2003	231,235.00	4,951,046.00	0.0467%
2002	217,417.00	4,586,535.00	0.0474%
2001	214,453.00	4,662,679.00	0.0459%
2000	200,180.00	4,563,956.00	0.0439%

2 Total of line 1, column (d)	2	0.2278%
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	0.0456%
4 Enter the net value of noncharitable-use assets for 2005 from Part X, line 5	4	5,739,517.00
5 Multiply line 4 by line 3	5	261,722.00
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	5,787.00
7 Add lines 5 and 6	7	267,509.00
8 Enter qualifying distributions from Part XII, line 4	8	268,351.00

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.

Form **990-PF** (2005)

Form 990-PF (2005)

Page **4****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 checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	5,787.00
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	5,787.00
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	5,787.00
6 Credits/Payments		
a 2005 estimated tax payments and 2004 overpayment credited to 2005	6a	13,663.00
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	13,663.00
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	7,876.00
11 Enter the amount of line 10 to be Credited to 2006 estimated tax <input checked="" type="checkbox"/> 5,787.00 Refunded <input checked="" type="checkbox"/>	11	2,089.00

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)?		X
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		
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? 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?		
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, col (c), and Part XIV	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? 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 2005 or the taxable year beginning in 2005 (see instructions for Part XIV on page 26)? 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? Web site address ▶ www.fdcenter.org/grantmaker/davis	X	
12 The books are in care of ▶ David Whitney Telephone no ▶ 817-324-4081 Located at ▶ PO Box 3419, Fort Worth, TX ZIP+4 ▶ 76113-408		
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 ▶		

Form 990-PF (2005)

Page 5

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

	Yes	No
File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		
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 20 of the instructions)? ... Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	
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 2005? ...	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 2005, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2005? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," list the years <input type="checkbox"/> 20 _____, 20 _____, 20 _____, 20 _____		
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 20 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 <input type="checkbox"/> 20 _____, 20 _____, 20 _____, 20 _____		
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 type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2005 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 2005) ...	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 2005? ...	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)? ... Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	5b	
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 type="checkbox"/> No		
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	6b	X

Form 990-PF (2005)

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 21 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 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 ... 0

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

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		
2		
3		
4		

Form 990-PF (2005)

Page **7****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
1	
2	
All other program-related investments See page 22 of the instructions 3	
Total. Add lines 1 through 3	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 22 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 4,656,014.00
b Average of monthly cash balances	1b 374,646.00
c Fair market value of all other assets (see page 23 of the instructions)	1c 796,261.00
d Total (add lines 1a, b, and c)	1d 5,826,921.00
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 5,826,921.00
4 Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 23 of the instructions)	4 87,404.00
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5 5,739,517.00
6 Minimum investment return. Enter 5% of line 5	6 286,976.00

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	1 286,976.00
2a Tax on investment income for 2005 from Part VI, line 5	2a 5,787.00
b Income tax for 2005 (This does not include the tax from Part VI)	2b
c Add lines 2a and 2b	2c 5,787.00
3 Distributable amount before adjustments. Subtract line 2c from line 1	3 281,189.00
4 Recoveries of amounts treated as qualifying distributions	4
5 Add lines 3 and 4	5 281,189.00
6 Deduction from distributable amount (see page 24 of the instructions)	6
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7 281,189.00

Part XII Qualifying Distributions (see page 24 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 268,351.00
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	4 268,351.00
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
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6 268,351.00

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.

Form **990-PF** (2005)

Part XIII Undistributed Income (see page 24 of the instructions)

	(a) Corpus	(b) Years prior to 2004	(c) 2004	(d) 2005
1 Distributable amount for 2005 from Part XI, line 7				281,189.00
2 Undistributed income, if any, as of the end of 2004				
a Enter amount for 2004 only			194,188.00	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2005				
a From 2000				
b From 2001				
c From 2002				
d From 2003				
e From 2004				
f Total of lines 3a through e				
4 Qualifying distributions for 2005 from Part XII, line 4: ▶ \$ 268,351.00				
a Applied to 2004, but not more than line 2a			194,188.00	
b Applied to undistributed income of prior years (Election required—see page 25 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 25 of the instructions)				
d Applied to 2005 distributable amount				74,163.00
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2005 (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 25 of the instructions . .				
e Undistributed income for 2004 Subtract line 4a from line 2a Taxable amount—see page 25 of the instructions				
f Undistributed income for 2005 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2006				207,026.00
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 2000 not applied on line 5 or line 7 (see page 25 of the instructions)				
9 Excess distributions carryover to 2006. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 2001				
b Excess from 2002				
c Excess from 2003				
d Excess from 2004				
e Excess from 2005				

Part XIV Private Operating Foundations (see page 26 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 2005, 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				(e) Total
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter 2% 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 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))

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 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

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

817-332-40481

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

Form 990-PF (2005)

Page 12

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

- | | | | |
|-----|--|-----|----|
| 1 | Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations? | Yes | No |
| a | Transfers from the reporting organization to a noncharitable exempt organization of: | | |
| (1) | Cash | | X |
| (2) | Other assets | | X |
| b | Other transactions | | |
| (1) | Sales of assets to a noncharitable exempt organization | | X |
| (2) | Purchases of assets from a noncharitable exempt organization | | X |
| (3) | Rental of facilities, equipment, or other assets | | X |
| (4) | Reimbursement arrangements | | X |
| (5) | Loans or loan guarantees | | X |
| (6) | Performance of services or membership or fundraising solicitations | | X |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | | 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

Under penalties of perjury, I declare that I have examined this return, including attachments, if any, and I believe it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has knowledge.

Signature of officer or trustee

Sign Here

**Paid
Repairer'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 6102

FORM 990-PF

STATEMENT 1

PART 1, LINE 18 TAXES

	<u>PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
AD VALOREM FEES	17,329	17,329
FEDERAL EXCISE TAXES	<u>22,636</u>	
TOTAL	<u>39,965</u>	<u>17,329</u>

PART 1, LINE 23 OTHER EXPENSES

	<u>PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>DISBUR</u>
INVESTMENT FEES	14,812	14,812	
ADMIN EXPENSES	<u>2,133</u>	<u>117</u>	<u>2,016</u>
TOTAL	<u>16,945</u>	<u>14,929</u>	<u>2,016</u>

FORM 990-PF

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

STATEMENT 2

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVG HRS/WK</u>	<u>COMPENSATION</u>	<u>EMPLOYEE BEN PLAN CONTRIB</u>	<u>EXPENSE ACCOUNT</u>
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

NAMEKEN W DAVIS, JR
T C DAVIS

STATEMENT 4

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

Page 1
YE 10/31/06

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 American Lung Assoc 8150 Brookriver Dr Dallas TX 75247	n/a	509(a)(1)	Funds for Camp Broncho	2,500.00
Big Brothers Big Sisters of Midland 1007 West Texas Avenue Midland 79701	n/a	509(a)(1)	Funds for general operations	3,500 00
Big Brothers Big Sisters North Texas 3218 Belknap St Fort Worth 76111	n/a	509(a)(1)	Funds for Bowl for Kids Sake Program and general operations	2,000.00
Botanical Research Institute 500 Pecan St Ste 101 Fort Worth 76102	n/a	509(a)(1)	Funds for environmental science youth mentoring program	4,000 00
Boy Scouts Buffalo Trail Council Inc 1101 West Texas Midland 79701	n/a	509(a)(1)	Funds to drill a new water well at Buffalo Trail Scout Ranch	10,000 00
Boys & Girls Clubs of Fort Worth 3218 E Belknap St Fort Worth 76111	n/a	509(a)(1)	Funds to support the Kids Café program.	4,515 00
Bread Basket Ministries P O Box 244 Fort Worth 76101	n/a	509(a)(1)	Funds for general operations	2,000.00
Bynum School County Rd 60 West & Hwy 158 Midland 79708	n/a	509(a)(1)	Funds for general operations	5,000 00
Casa de Amigos 1101 E Garden Lane Midland 79701	n/a	509(a)(1)	Funds to purchase a computer server for 2-1-1 Permian Basin Texas program	8,000.00
Campfire USA First Texas Council 2700 Meacham Blvd Fort Worth 76137	n/a	509(a)(1)	Funds to assist with child care for low-income children	2,700.00
Cancer Care Services 623 S Henderson Fort Worth 76104	n/a	509(a)(1)	Funds for general operations	7,500 00
Cenikor Foundation Inc 2209 S Main St Fort Worth 76110	n/a	509(a)(1)	Funds for North Texas operations	5,000.00

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

Page 2
YE 10/31/06

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				
Child Advocates of Tarrant County P O Box 3275 Fort Worth 76113	n/a	509(a)(1)	Funds for general operations	4,000.00
Child Study Center 1300 W Lancaster Fort Worth 76102	n/a	509(a)(1)	Funds for on-going technology upgrades	10,000.00
Christmas In Action P O Box 3744 Midland 79702	n/a	509(a)(1)	Funds to assist in Action Home Rehabilitation Program	2,500.00
Clayton Child Care 1215 Country Club Lane Fort Worth 76112	n/a	509(a)(2)	Funds to support Clayton YES! scholarship program	3,000.00
Community Children's Clinic P O Box 3328 Midland 79702	n/a	509(a)(1)	Funds for general operations	2,500.00
Community Enrichment Center 6250 NE Loop 820 Fort Worth 76180	n/a	509(a)(1)	Funds to provide counseling for child abuse victims through CEC's Open Arms Program	2,800 00
Conservative Caucus 450 Maple Ave Vienna VA 22180	n/a	509(a)(1)	Funds for general operations	4,000 00
Cook Children's Medical Ctr Fd 801 Seventh Ave Fort Worth 76113	n/a	509(a)(1)	Funds for purchase and installation of MRI equipment	7,500 00
Cornerstone Assistance Network 6924 Glenview Dr Fort Worth 76180	n/a	509(a)(1)	Funds for general operations	3,500.00
Day Resource Center 1415 East Lancaster Fort Worth 76113	n/a	509(a)(1)	Funds for general operations	2,500.00
Eagle Forum P O Box 618 Alton IL 62002	n/a	509(a)(1)	Funds for general operations	5000.00
Fort Worth Teen Court 1000 Throckmorton Fort Worth 76102	n/a	509(a)(1)	Funds to support operation costs	585.00

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

Page 3
YE 10/31/06

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				
Free Congress Foundation 717 Second Ave, NE Washington DC 20002	n/a	509(a)(1)	Funds for general operations and projects	5,000.00
Funding Information Center 329 S Henderson Fort Worth 76104	n/a	509(a)(1)	Funds for general operations in May, \$2500; funds to underwrite Townhall Meeting in September, \$1500.	4,000 00
Great Plains Restoration Council P O Box 1206 Fort Worth 76101	n/a	509(a)(1)	Funds to support local youth and outreach and education programs	1,000.00
Habitat for Humanity - Trnity 3345 S Jones St Fort Worth 76110	n/a	509(a)(1)	Funds for general operations	3,500.00
Harris Hospital Health Foundation 1301 Pennsylvania Ave, 9th Floor Fort Worth 76104	n/a	509(a)(1)	Funds to support the Prostrate Cancer Resource Center	10,000.00
High Sky Children's Ranch 8701 W County Rd 60 Midland 79707	n/a	509(a)(1)	Funds for general operations	2,000.00
JMAC Youth Center of Tarrant County 2714 Stalcup Ave Fort Worth 76119	n/a	509(a)(1)	Funds for operations and needed capital expenditures	3,500 00
Kids Who Care Inc 1300 Gendy St Fort Worth 76107	n/a	509(a)(1)	Funds to support Kids Who Care's Hope Scholarship Program	2,500.00
Knox Area Rescue Ministries P O Box 3352 Knoxville TN 37927	n/a	509(a)(1)	Funds to support culinary training program, the Abundant Life Kitchen	26,000.00
Leadership Institute 8001 Braddock Rd #502 Springfield VA 22151	n/a	509(a)(1)	Funds for general operations	10,000.00
Lighthouse for the Blind 912 W Broadway Fort Worth 76104	n/a	509(a)(1)	Funds for Endowment Trust	10,000.00
Midland/Odessa Area AIDS Support 800 West Texas St Midland 79701	n/a	509(a)(1)	Funds for general operations	4,000.00

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

Page 4
YE 10/31/06

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				
Midland Assoc for Retarded Citizens Inc 2701 North A Street Midland 79705	n/a	509(a)(1)	Funds to support the purchase of a new van to serve group home	8,000 00
Midland Children's Rehabilitation Center 802 Ventura Midland 79705	n/a	509(a)(1)	Funds for general operations	5,000 00
Midland Rape Crisis & Children's Advoc P O Box 1659 Midland 79702	n/a	509(a)(1)	Funds to support relocation costs	9,900 00
National MS Society-NC Texas Chapter 4086 Sandshell Dr Fort Worth 76137	n/a	509(a)(1)	Funds for Wellness Programs	10,000.00
New Key School Inc P O Box 100668 Fort Worth 76185	n/a	509(a)(1)	Funds to support the transition of New Key School to not-for-profit status	7,500.00
Nonprofit Service Center 3209 S University Fort Worth 76109	n/a	509(a)(1)	Funds for general operations	5,000.00
NSEAM Living at Home 1150 S Freeway Ste 130 Fort Worth 76104	n/a	509(a)(1)	Funds to support cost of Thanksgiving meals for clients	1,000 00
Score A Goal in the Classroom 819 Penn St Fort Worth 76102	n/a	509(a)(1)	Funds for general operations	2,000.00
St. Vincent De Paul Society P O BAOX 711 Midland 79702	n/a	509(a)(1)	Funds for general operations	5,000.00
Tarrant County Samantan Housing Inc 929 Hemphill Street Fort Worth 76104	n/a	509(a)(1)	Funds for general operations	5,000.00
Texas Partnership for End-of-Life Care 3710 Cedar St , Ste 275 Austin TX 78705	n/a	509(a)(1)	Funds for general operations	5,000.00
The Foundation Center 79 Fifth Avenue New York NY 10003	n/a	509(a)(1)	Funds for general operations	1,000.00

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

Page 5
YE 10/31/06

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 The Parenting Center 2928 West Fifth Street Fort Worth 76107	n/a	509(a)(1)	Funds for general operations	5,000.00
The Warm Place 809 Lipscomb St Fort Worth 76104	n/a	509(a)(1)	Funds for general operations	4,000.00
Washington Legal Foundation 2009 Massachusetts Ave , NW Washington DC 20036	n/a	509(a)(1)	Funds for general operations	500 00
West Texas Food Bank P O Box 4242 Odessa 79760	n/a	509(a)(1)	Funds to support the Permian Basin operations of the WTFB	2,000.00
1/10/2007			TOTAL PAID	\$262,000.00

FORM 990-PF

STATEMENT 5

PART 1, LINE 18 TAXES

	<u>PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
AD VALOREM FEES	10,262	10,262
FEDERAL EXCISE TAXES	<u>15,503</u>	
TOTAL	<u>25,765</u>	<u>10,262</u>

PART 1, LINE 23 OTHER EXPENSES

	<u>PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>DISBUR</u>
INVESTMENT FEES	16,914	16,914	
SUPPLIES & POSTAGE	<u>460</u>	<u>230</u>	<u>230</u>
TOTAL	<u>17,374</u>	<u>17,144</u>	<u>230</u>