



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation****2011**Department of the Treasury
Internal Revenue Service

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

For calendar year 2011, or tax year beginning**, 2011, and ending**

Name of foundation

Paul E. Kelly Foundation

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

109 Forrest Avenue

City or town

Narberth

State ZIP code

PA 19072-2212**G** Check all that apply.☐ Initial return☐ Final return☐ Address change☐ Initial Return of a former public charity☐ Amended return☐ Name change**H** Check type of organization:☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust☐ Other taxable private foundation**I** Fair market value of all assets at end of year
(from Part II, column (c), line 16)**\$ 15,070,380.****J** Accounting method:☒ Cash ☐ Accrual☐ Other (specify)

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

A Employer identification number**23-6298237****B** Telephone number (see the instructions)**(610) 664-9890****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 ☐**Part I Analysis of Revenue and Expenses**

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))

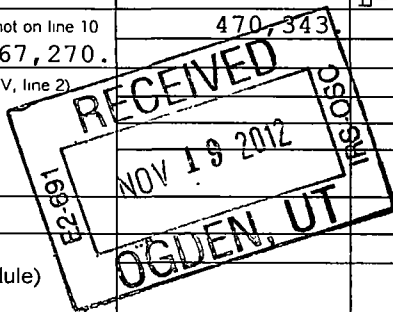
(a) Revenue and expenses per books**(b)** Net investment income**(c)** Adjusted net income**(d)** Disbursements for charitable purposes (cash basis only)**1** Contributions, gifts, grants, etc., received (att sch)**2** Cl ☒ if the foundn is not req to att Sch B**3** Interest on savings and temporary cash investments**973.****973.****4** Dividends and interest from securities**337,036.****337,036.****5a** Gross rents**b** Net rental income or (loss)**L-6a Stmt****6a** Net gain/(loss) from sale of assets not on line 10**470,343.****b** Gross sales price for all assets on line 6a**15,767,270.****7** Capital gain net income (from Part IV, line 2)**470,343.****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/(loss) (att sch)**11** Other income (attach schedule)**12 Total.** Add lines 1 through 11**808,352.****808,352.****13** Compensation of officers, directors, trustees, etc**75,000.****37,500.****37,500.****14** Other employee salaries and wages**40,000.****20,000.****20,000.****15** Pension plans, employee benefits**44,063.****22,032.****22,031.****16a** Legal fees (attach schedule)**b** Accounting fees (attach sch)**c** Other prof fees (attach sch)**17** Interest**18** Taxes (attach schedule) (see instrs) Federal Excise Tax**5,000.****19** Depreciation (attach sch) and depletion**20** Occupancy**25,114.****12,557.****12,557.****21** Travel, conferences, and meetings**22** Printing and publications**1,123.****562.****561.****23** Other expenses (attach schedule)

See Line 23 Stmt

13,962.**1,700.****12,262.****24 Total operating and administrative expenses.** Add lines 13 through 23**204,262.****94,351.****104,911.****25** Contributions, gifts, grants paid**641,200.****641,200.****641,200.****26 Total expenses and disbursements.** Add lines 24 and 25**845,462.****94,351.****746,111.****27** Subtract line 26 from line 12:**a Excess of revenue over expenses and disbursements****-37,110.****b Net investment income** (if negative, enter -0-)**714,001.****c Adjusted net income** (if negative, enter -0-)

SCANNED NOV 21 2012

ADMINISTRATIVE AND EXPENSES



614 16

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		30,135.	25,873.	25,873.	
	2	Savings and temporary cash investments		333,136.	84,002.	84,002.	
	3	Accounts receivable					
		Less: allowance for doubtful accounts					
	4	Pledges receivable					
		Less: allowance for doubtful accounts					
	5	Grants receivable					
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)					
	7	Other notes and loans receivable (attach 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 (attach schedule)		910,615.			
	b	Investments — corporate stock (attach schedule)					
	c	Investments — corporate bonds (attach schedule) L-10c Stmt		2,679,367.	3,636,020.	3,703,979.	
	11	Investments — land, buildings, and equipment: basis					
	Less: accumulated depreciation (attach schedule)						
12	Investments — mortgage loans						
13	Investments — other (attach schedule) L-13 Stmt		11,535,956.	11,706,203.	11,256,526.		
14	Land, buildings, and equipment: basis						
	Less: accumulated depreciation (attach schedule)						
15	Other assets (describe)						
16	Total assets (to be completed by all filers — see the instructions. Also, see page 1, item I)		15,489,209.	15,452,098.	15,070,380.		
LIABILITIES	17	Accounts payable and accrued expenses					
	18	Grants payable					
	19	Deferred revenue					
	20	Loans from officers, directors, trustees, & other disqualified persons					
	21	Mortgages and other notes payable (attach schedule)					
	22	Other liabilities (describe)					
	23	Total liabilities (add lines 17 through 22)					
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ☒						
	24	Unrestricted		15,489,209.	15,452,098.		
	25	Temporarily restricted					
	26	Permanently restricted					
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ☐						
	27	Capital stock, trust principal, or current funds					
	28	Paid-in or capital surplus, or land, building, and equipment fund					
	29	Retained earnings, accumulated income, endowment, or other funds					
	30	Total net assets or fund balances (see instructions)		15,489,209.	15,452,098.		
	31	Total liabilities and net assets/fund balances (see instructions)		15,489,209.	15,452,098.		

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	15,489,209.
2	Enter amount from Part I, line 27a	2	-37,110.
3	Other increases not included in line 2 (itemize) <u>Rounding</u>	3	-1.
4	Add lines 1, 2, and 3	4	15,452,098.
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	15,452,098.

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 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a Chartwell Bonds + Equity Fund		P	Various	Various
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 15,767,270.		15,296,927.	470,343.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a 0.	0.	0.	470,343.
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	470,343.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):	If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8		3	

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

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

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

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

☐ Yes☒ No

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

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2010	665,665.	14,830,885.	0.044884
2009	795,306.	13,448,118.	0.059139
2008	941,034.	16,231,337.	0.057976
2007	959,202.	19,404,222.	0.049433
2006	941,955.	19,079,833.	0.049369

2 Total of line 1, column (d)	2	0.260801
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	0.052160
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	15,607,611.
5 Multiply line 4 by line 3	5	814,093.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	7,140.
7 Add lines 5 and 6	7	821,233.
8 Enter qualifying distributions from Part XII, line 4	8	746,111.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 — see instructions)

1 a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter 'N/A' on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary — see instrs)		1	14,280.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (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	14,280.
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	14,280.
6 Credits/Payments:			
a 2011 estimated tax pmts and 2010 overpayment credited to 2011	6a	14,840.	
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	14,840.	
8 Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	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	552.	
11 Enter the amount of line 10 to be Credited to 2012 estimated tax	11	Refunded	

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see 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 foundation in connection with the activities.</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation \$ _____ (2) On foundation managers \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		X
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) PA - Pennsylvania		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If 'No,' attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

BAA

Form 990-PF (2011)

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>Paul E. Kelly Foundation</u> Telephone no. <u>(610) 664-9890</u> Located at <u>109 Forrest Avenue, Narberth PA</u> ZIP + 4 <u>19072-2212</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ☐ and enter the amount of tax-exempt interest received or accrued during the year <u>15</u>			
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country <u></u>				

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
1 a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No		
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No		
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? ☐	1 b	X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011? ☐	1 c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)).		
a At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? ☐ Yes ☒ No If 'Yes,' list the years <u>20__ , 20__ , 20__ , 20__</u>		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see instructions)	2 b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <u>20__ , 20__ , 20__ , 20__</u>		
3 a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No		
b If 'Yes,' did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011)	3 b	
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4 b	X

BAA

Form 990-PF (2011)

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to**(1)** Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?☐ Yes ☒ No**(2)** Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?☐ Yes ☒ No**(3)** Provide a grant to an individual for travel, study, or other similar purposes?☐ Yes ☒ No**(4)** Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)☐ Yes ☒ No**(5)** Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?☐ Yes ☒ No**b** If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?**5b** ☐ ☒ X

Organizations relying on a current notice regarding disaster assistance check here

▶ ☐**c** If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?☐ Yes ☐ No

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

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

If 'Yes' to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction?**7b** ☐ ☒ X**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).**

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

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

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
None				
0				
0				
0				
0				

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

None

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over \$50,000 for professional services		None

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 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 instructions	
3	
Total. Add lines 1 through 3	

BAA

Form 990-PF (2011)

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a Average monthly fair market value of securities	1a	15,819,417.
b Average of monthly cash balances	1b	25,873.
c Fair market value of all other assets (see instructions)	1c	
d Total (add lines 1a, b, and c)	1d	15,845,290.
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	15,845,290.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	237,679.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	15,607,611.
6 Minimum investment return. Enter 5% of line 5	6	780,381.

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

1 Minimum investment return from Part X, line 6	1	780,381.
2a Tax on investment income for 2011 from Part VI, line 5	2a	14,280.
b Income tax for 2011 (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	14,280.
3 Distributable amount before adjustments Subtract line 2c from line 1	3	766,101.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	766,101.
6 Deduction from distributable amount (see instructions)	6	
7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	766,101.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. — total from Part I, column (d), line 26	1a	746,111.
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	746,111.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	0.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	746,111.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				766,101.
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only			716,150.	
b Total for prior years 20__, 20__, 20__				
3 Excess distributions carryover, if any, to 2011:				
a From 2006	0.			
b From 2007	0.			
c From 2008	0.			
d From 2009	0.			
e From 2010	0.			
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4: $\$$ 746,111.				
a Applied to 2010, but not more than line 2a			716,150.	
b Applied to undistributed income of prior years (Election required — see instructions)				
c Treated as distributions out of corpus (Election required — see instructions)				
d Applied to 2011 distributable amount				29,961.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2011 (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	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				
d Subtract line 6c from line 6b Taxable amount — see instructions		0.		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount — see instructions			0.	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				736,140.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2007	0.			
b Excess from 2008	0.			
c Excess from 2009	0.			
d Excess from 2010	0.			
e Excess from 2011	0.			

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<i>a Paid during the year</i> See Attached Schedule	N/A	None	See attached Schedule	641,200.
Total			3a	641,200.
<i>b Approved for future payment</i>				
Total			3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
		(a) Business code	(b) Amount	(c) Exclu- sion 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	N/A		14	973.	
4	Dividends and interest from securities	N/A		14	337,036.	
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	N/A		18	470,343.	
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)				808,352.	
13	Total. Add line 12, columns (b), (d), and (e)				13 808,352.	

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

Form 990-PF, Page 1, Part I, Line 23

Line 23 Stmt

Other expenses:	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
Office Supplies, Postage,				
Insurance, Officer's Exp incl				
travel, meals, club dues, etc.	13,962.	1,700.		12,262.
Total	<u>13,962.</u>	<u>1,700.</u>		<u>12,262.</u>

Form 990-PF, Page 2, Part II, Line 10c

L- 10c Stmt

Line 10c - Investments - Corporate Bonds:	End of Year	
	Book Value	Fair Market Value
Vanguard Bonds	3,636,020.	3,703,979.
Total	<u>3,636,020.</u>	<u>3,703,979.</u>

Form 990-PF, Page 2, Part II, Line 13

L-13 Stmt

Line 13 - Investments - Other:	End of Year	
	Book Value	Fair Market Value
Blackstone Fund	2,000,000.	2,277,812.
Equity Mutual Funds	9,706,203.	8,978,714.
Total	<u>11,706,203.</u>	<u>11,256,526.</u>

2011 Form 990-PF Page 6. Part VIII - Line 1
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 23 of the instructions).

(a) Name and address	(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
Paul E. Kelly, Jr. 109 Forrest Ave, Narberth PA	President/Director 40 Hours	75,000	25,189	10,649
Judith K. Shea 109 Forrest Ave, Narberth PA	Vice President/Director Less than 5 Hrs	0	0	0
Christine K. Kiernan 109 Forrest Ave, Narberth PA	Vice President/Director Less than 5 Hrs	0	0	0
Peter J. Kelly 109 Forrest Ave, Narberth PA	Vice President/Director Less than 5 Hrs	0	0	0

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Alliance Defense Fund Inc
15100 North 90th Street
Scottsdale AZ 85260
Purpose of Grant: Operating Support
Amount of Grant: \$2500

Organization: ALS Association, Greater Philadelphia Chapter
Suite 260
321 Norristown Road
Ambler PA 19002
Purpose of Grant: Operating Support
Amount of Grant: \$2,000

Organization: American Cancer Society
1626 Locust Street
Philadelphia PA 19103
Purpose of Grant: Operating Support
Amount of Grant: \$1,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: American Enterprise Institute
1150 17th Street NW
Washington DC 20036
Purpose of Grant: Operating Support
Amount of Grant: \$3,000

Organization: Arden Theatre
40 North 2nd Street
Philadelphia PA 19106
Purpose of Grant: Operating Support
Amount of Grant: \$3,000

Organization: The Ardensingers
The Arden Club
2126 The Highway
Wilmington DE 19810
Purpose of Grant: Operating Support
Amount of Grant: \$2,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization:	BLOCS Business Leadership Organized for Catholic Schools 1001 East Hector Street, Suite 100 Conshohocken PA 19428
Purpose of Grant:	Tuition Assistance
Amount of Grant:	\$10,000

Organization:	Bournelyf Special Camp 1066 South New Street West Chester PA 19382
Purpose of Grant:	Operating Support
Amount of Grant:	\$1,000

Organization:	Boy Scouts of America Cradle of Liberty Council 1485 Valley Forge Road Wayne PA 19087
Purpose of Grant:	Operating Support
Amount of Grant:	\$10,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Bryn Mawr Film Institute
P O Box 1058
Bryn Mawr PA 19010
Purpose of Grant: Operating Support
Amount of Grant: \$5,000

Organization: Center for Individual Rights
1233 20th Street, NW, Suite 300
Washington DC 20036
Purpose of Grant: Operating Support
Amount of Grant: \$3,000

Organization: Catholic Charities Appeal
Office of Development
222 North 17th Street
Philadelphia PA 19103
Purpose of Grant: Operating Support
Amount of Grant: \$10,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Catholic Leadership Institute
440 East Swedesford Road, Suite 3040
Wayne PA 19087
Purpose of Grant: Operating Support
Amount of Grant: \$10,000

Organization: Cristo Rey Philadelphia High School
5218 North Broad Street
Philadelphia PA 19141
Purpose of Grant: Operating Support
Amount of Grant: \$25,000

Organization: DePaul Catholic School
Saint Vincent de Paul Parish
109 East Price Street
Philadelphia PA 19144
Purpose of Grant: Tuition Assistance
Amount of Grant: \$25,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Dreuding Center
413 West Master Street
Philadelphia PA 19122
Purpose of Grant: Operating Support
Amount of Grant: \$15,000

Organization: Drexel Neumann Academy
1901 Potter Street
Chester PA 19013
Purpose of Grant: Tuition Assistance
Amount of Grant: \$15,000

Organization: ElderNet of Lower Merion-Narberth
9 South Bryn Mawr Avenue
Bryn Mawr PA 19010
Purpose of Grant: Operating Support
Amount of Grant: \$3,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Family Life Educational Foundation
c/o Mike McMonagle
300 Greenwood Road
Lansdale PA 19446
Purpose of Grant: Operating Support
Amount of Grant: \$2,000

Organization: Franklin Institute
222 North 20th Street
Philadelphia PA 19103
Purpose of Grant: Operating Support
Amount of Grant: \$3,000

Organization: Generation Life
590 Snyder Avenue
West Chester PA 19380
Purpose of Grant: Operating Support
Amount of Grant: \$5,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Georgetown University
Annual Fund
University Box 571253
Washington DC 20057
Purpose of Grant: Operating Support
Amount of Grant: \$3,000

Organization: Gesu School
1700 West Thompson Street
Philadelphia PA 19121
Purpose of Grant: Sponsor A Child Program
Amount of Grant: \$20,000

Organization: Gilbert & Sullivan Society of Chester County
P.O. Box 195
West Chester PA 19381
Purpose of Grant: Operating Support
Amount of Grant: \$2,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Hedgerow Theatre
64 Rose Valley Road
Rose Valley PA 19063
Purpose of Grant: Operating Support
Amount of Grant: \$3,000

Organization: Holy Child Academy - Drexel Hill
475 Shadeland Avenue
Drexel Hill PA 19026
Purpose of Grant: Operating Support
Amount of Grant: \$5,000

Organization: Hope Partnership for Education
Bala Pointe Office
111 Presidential Boulevard, Suite 141
Bala Cynwyd PA 19004
Purpose of Grant: Operating Support
Amount of Grant: \$15,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Immaculate Conception Catholic Church
1020 East Price Street
Philadelphia PA 19138
Purpose of Grant: Tuition Assistance
Amount of Grant: \$15,000

Organization: Inglis Foundation
2600 Belmont Avenue
Philadelphia PA 19131
Purpose of Grant: Operating Support
Amount of Grant: \$3,000

Organization: Jackson Laboratory
Office of Advancement
610 Main Street
Bar Harbor ME 04609
Purpose of Grant: Greg Cox Research Project
Amount of Grant: \$10,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Lake Dunmore Fern Lake Association
P.O. Box 14
Salisbury VT 05769
Purpose of Grant: Operating Support
Amount of Grant: \$1,000

Organization: LaSalle Academy
1434 North 2nd Street
Philadelphia PA 19122
Purpose of Grant: Operating Support
Amount of Grant: \$15,000

Organization: LaSalle University
1900 West Olney Avenue
Philadelphia PA 19141
Purpose of Grant: Kiernan Scholarship
Amount of Grant: \$10,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a – Grants and Contributions Paid During the Year
Schedule

Organization: LaSalle University - Annual Giving
1900 West Olney Avenue
Philadelphia PA 19141
Purpose of Grant: Annual Fund
Amount of Grant: \$5,000

Organization: Little Flower Catholic High School for Girls
1,000 West Lycoming Street
Philadelphia PA 19140
Purpose of Grant: Tuition Assistance
Amount of Grant: \$5,000

Organization: Mann Center for the Performing Arts
Suite 1930
123 South Broad Street
Philadelphia PA 19109
Purpose of Grant: Operating Support and Capital Campaign
Amount of Grant: \$8,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: McNamee Scholars Program
6332 Woodbine Ave
Philadelphia PA 19151
Purpose of Grant: McNamee Scholars Program
Amount of Grant: \$10,000

Organization: Melmark Inc
2600 Wayland Road
Berwyn PA 19312
Purpose of Grant: Operating Support
Amount of Grant: \$1,000

Organization: Mercy Neighborhood Ministries
1939 W. Venango Street
Philadelphia PA 19140
Purpose of Grant: Operating Support
Amount of Grant: \$5,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Mercy Vocational High School
2900 West Hunting Park Avenue
Philadelphia PA 19129
Purpose of Grant: Tuition Assistance
Amount of Grant: \$10,000

Organization: Merion Mercy Academy
511 Montgomery Avenue
Merion Station PA 19066
Purpose of Grant: Scholarship Program
Amount of Grant: \$8,000

Organization: Narberth Community Library
80 Windsor Avenue
Narberth PA 19072
Purpose of Grant: Operating Support
Amount of Grant: \$2,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Narberth Fire Company
100 Conway Avenue
P.O. Box 45
Narberth PA 19072
Purpose of Grant: Operating Support
Amount of Grant: \$100

Organization: Narberth War Memorial
P.O. Box 173
Narberth PA 19072
Purpose of Grant: Operating Support
Amount of Grant: \$500

Organization: New Horizons Senior Center
206 Price Avenue
P.O. Box 85
Narberth PA 19072
Purpose of Grant: Operating Support
Amount of Grant: \$1500

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Our Lady of the Blessed Sacrament
345 North 63rd Street
Philadelphia PA 19139
Purpose of Grant: Tuition Assistance
Amount of Grant: \$15,000

Organization: Platt Caddie Scholarship
1601 Spring Mill Road
Gladwyne PA 19035
Purpose of Grant: Scholarships
Amount of Grant: \$1500

Organization: Project H.O.M.E.
1515 Fairmount Avenue
Philadelphia PA 19130
Purpose of Grant: Operating Support
Amount of Grant: \$10,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Rose Valley Chorus & Orchestra
P.O. Box 414
Media PA 19063
Purpose of Grant: Operating Support
Amount of Grant: \$2,000

Organization: RSVP of Montgomery County
c/o William T. Walsh
985 Old Eagle School Road, Suite 515
Wayne PA 19087
Purpose of Grant: Operating Support
Amount of Grant: \$2,000

Organization: Sacred Heart, Country Day School of the
480 Bryn Mawr Avenue
Bryn Mawr PA 19010
Purpose of Grant: Capital Campaign
Amount of Grant: \$20,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Sacred Heart, Society of the
4120 Forest Park Avenue
St. Louis MO 63108
Purpose of Grant: Operating Support
Amount of Grant: \$2,000

Organization: Saint Aloysius Education Clinic
219 West 132nd Street
New York NY 10027
Purpose of Grant: Operating Support
Amount of Grant: \$5,000

Organization: Saint Edmond's Home Women's Auxilliary
320 South Roberts Road
Rosemont PA 19010
Purpose of Grant: Operating Support
Amount of Grant: \$1,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Saint Francis de Sales School
917 South 47th Street
Philadelphia PA 19143
Purpose of Grant: Tuition Assistance
Amount of Grant: \$15,000

Organization: Saint Francis Inn/Order of Friars Minor
2441 Kensington Avenue
P.O. Box 3746
Philadelphia PA 19125
Purpose of Grant: Operating Support
Amount of Grant: \$5,000

Organization: Saint Ignatius Nursing Home
4401 Haverford Avenue
Philadelphia PA 19104
Purpose of Grant: Operating Support
Amount of Grant: \$3,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Saint John Neumann Parish
380 Highland Lane
Bryn Mawr PA 19010
Purpose of Grant: Capital Campaign
Amount of Grant: \$20,000

Organization: Saint Joseph Pro-Cathedral School
St. Joseph Pro-Catholic Parish
2907 Federal Street
Camden NJ 08105
Purpose of Grant: Tuition Assistance
Amount of Grant: \$10,000

Organization: Saint Joseph's Preparatory School
1733 West Girard Avenue
Philadelphia PA 19130
Purpose of Grant: Annual Fund
Amount of Grant: \$7500

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a -- Grants and Contributions Paid During the Year
Schedule

Organization: Saint Joseph's University
5600 City Avenue
Philadelphia PA 19131
Purpose of Grant: Ace Program
Amount of Grant: \$75,000 and Capital Campaign

Organization: Saint Jude Children's Research Hospital
1203 Ormond Avenue
Drexel Hill PA 19026
Purpose of Grant: Dominic V. Diccico Memorial Trust
Amount of Grant: \$7500

Organization: Saint Katharine Drexel Project
Our Mother of Sorrows School and Saint Ignatius of Loyola School
1008 North 48th Street
Philadelphia PA 19131
Purpose of Grant: Tuition Assistance
Amount of Grant: \$15,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization:	Saint Margaret Church 208 North Narberth Avenue Narberth PA 19072
Purpose of Grant:	Capital Campaign and Annual Giving
Amount of Grant:	\$28,000

Organization:	Saint Margaret School 227 North Narberth Avenue Narberth PA 19072
Purpose of Grant:	Operating Support
Amount of Grant:	\$5,000

Organization:	Saint Martin de Porres School Saint Martin de Porres Church 2340 West Lehigh Avenue Philadelphia PA 19132
Purpose of Grant:	Tuition Assistance
Amount of Grant:	\$15,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a – Grants and Contributions Paid During the Year
Schedule

Organization: Saint Mary School
30 Elizabeth Street
Bordentown NJ 08505
Purpose of Grant: Operating Support
Amount of Grant: \$5,000

Organization: Saint Peter the Apostle School
1009 North Fifth Street
Philadelphia PA 19123
Purpose of Grant: Tuition Assistance
Amount of Grant: \$15,000

Organization: Salvation Army
Foundations & Government Relations
701 North Broad Street
Philadelphia PA 19123
Purpose of Grant: Operating Support
Amount of Grant: \$7500

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Salvation Army, Trenton Corps
P.O. Box 8850
Trenton NJ 08601
Purpose of Grant: Operating Support
Amount of Grant: \$5,000

Organization: Savoy Company
P.O. Box 59150
Philadelphia PA 19102
Purpose of Grant: Operating Support
Amount of Grant: \$1,000

Organization: Theatre Exile
1340 South 13th Street
Philadelphia PA 19147
Purpose of Grant: Operating Support
Amount of Grant: \$1,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: Volunteer Medical Service Corps
101 Sibley Avenue
P.O. Box 269
Ardmore PA 19103
Purpose of Grant: Operating Support
Amount of Grant: \$100

Organization: Waldron Mercy Academy
513 Montgomery Avenue
Merion Station PA 19066
Purpose of Grant: Annual Fund and Benefit Tech Program
Amount of Grant: \$8500

Organization: Washington Legal Foundation
2009 Massachusetts Avenue NW
Washington DC 20036
Purpose of Grant: Operating Support
Amount of Grant: \$3,000

Paul E. Kelly Foundation
EIN 23-6298237

2011 FORM 990-PF, Page 11, Part XV
Line 3a - Grants and Contributions Paid During the Year
Schedule

Organization: World Affairs Council of Philadelphia
Suite 2-Mezz.
One South Broad Street
Philadelphia PA 19107
Purpose of Grant: Operating Support
Amount of Grant: \$10,000

Organization: YMCA of Philadelphia & Vicinity
2000 Market Street, Suite 750
Philadelphia PA 19103
Purpose of Grant: Operating Support
Amount of Grant: \$4,000

Organization: Zoological Society of Philadelphia
3400 West Girard Avenue
Philadelphia PA 19104
Purpose of Grant: Operating Support
Amount of Grant: \$3,000