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JRS

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OMB No 1545-0052

Form **990-PF****Return of Private  
or Section 4947(a)(1) Nonexempt  
Treated as a Private Foundation****SENDERS RECORD**

Open to public inspection

**2012**Department of the Treasury  
Internal Revenue Service

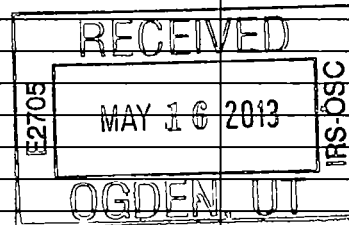
Note The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2012 or tax year beginning

, and ending

Name of foundation <b>THE JAMES B. &amp; EILEEN M. KELLY FOUNDATION, INCORPORATED</b>		A Employer identification number <b>22-2777470</b>
Number and street (or P.O. box number if mail is not delivered to street address) <b>DAY PITNEY LLP 1 CANTERBURY GREEN</b>	Room/suite	B Telephone number <b>(203) 977-7300</b>
City or town, state, and ZIP code <b>STAMFORD, CT 06901</b>		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) <b>\$ 1,231,187.</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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).)		(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				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		190.	190.		STATEMENT 2
4 Dividends and interest from securities		49,385.	49,385.		STATEMENT 3
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		23,884.			STATEMENT 1
b Gross sales price for all assets on line 6a <b>423,632.</b>					
7 Capital gain net income (from Part IV, line 2)			16,604.		
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)					
11 Other income		4,352.	4,352.		STATEMENT 4
12 Total Add lines 1 through 11		77,811.	70,531.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees STMT 5		10,267.	10,267.		0.
b Accounting fees					
c Other professional fees					
17 Interest					
18 Taxes STMT 6		7,080.	0.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 7		165.	165.		0.
24 Total operating and administrative expenses. Add lines 13 through 23		17,512.	10,432.		0.
25 Contributions, gifts, grants paid		88,950.			88,950.
26 Total expenses and disbursements. Add lines 24 and 25		106,462.	10,432.		88,950.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		-28,651.			
b Net investment income (if negative, enter -0-)			60,099.		
c Adjusted net income (if negative, enter -0-)				N/A	



223501

12-05-12

LHA For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2012)

**THE JAMES B. & EILEEN M. KELLY  
FOUNDATION, INCORPORATED**

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<b>Part II Balance Sheets</b>		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>	1	Cash - non-interest-bearing		-2.	-3.	-3.
	2	Savings and temporary cash investments		139,056.	134,786.	134,786.
	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				
	7	Other notes and loans receivable ▶				
		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				
	b	Investments - corporate stock	STMT 8	467,176.	590,979.	614,125.
	c	Investments - corporate bonds	STMT 9	303,020.	452,599.	482,279.
11	Investments - land, buildings, and equipment basis ▶					
	Less: accumulated depreciation ▶					
12	Investments - mortgage loans					
13	Investments - other		297,762.			
14	Land, buildings, and equipment: basis ▶					
	Less: accumulated depreciation ▶					
15	Other assets (describe ▶)					
16	<b>Total assets</b> (to be completed by all filers)		1,207,012.	1,178,361.	1,231,187.	
<b>Liabilities</b>	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable				
	22	Other liabilities (describe ▶)				
23	<b>Total liabilities</b> (add lines 17 through 22)		0.	0.		
<b>Net Assets or Fund Balances</b>	Foundations 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				
	Foundations 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		0.	0.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund		258,879.	258,879.	
29	Retained earnings, accumulated income, endowment, or other funds		948,133.	919,482.		
30	<b>Total net assets or fund balances</b>		1,207,012.	1,178,361.		
31	<b>Total liabilities and net assets/fund balances</b>		1,207,012.	1,178,361.		

**Part III Analysis of Changes in Net Assets or Fund Balances**

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,207,012.
2	Enter amount from Part I, line 27a	2	-28,651.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	1,178,361.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	<b>Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30</b>	6	<b>1,178,361.</b>

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**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 98,000 GMAC BANK 2.85%, 03/27/12	P	03/27/09	03/27/12
b 100,000 MORGAN STANLEY 6/11/25	P	06/23/10	12/11/12
c 4,000 BUCKEYE PARTNERS	D	04/23/07	05/03/12
d ENERGY TRANSFER EQUITY, L.P.			
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 98,000.		98,000.	0.
b 100,000.		100,005.	-5.
c 225,632.		209,000.	16,632.
d			-23.
e			

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			0.
b			-5.
c			16,632.
d			-23.
e			

2 Capital gain net income or (net capital loss)	16,604.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	N/A

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2011	65,943.	1,220,101.	.054047
2010	19,900.	1,120,310.	.017763
2009	19,200.	940,168.	.020422
2008	38,400.	1,052,587.	.036482
2007	9,700.	1,104,322.	.008784

2 Total of line 1, column (d)	.137498
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	.027500
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	1,229,863.
5 Multiply line 4 by line 3	33,821.
6 Enter 1% of net investment income (1% of Part I, line 27b)	601.
7 Add lines 5 and 6	34,422.
8 Enter qualifying distributions from Part XII, line 4	88,950.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		1	601.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> 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, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	601.
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	601.
6 Credits/Payments:			
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	640.	
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	640.	
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" 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	39.	
11 Enter the amount of line 10 to be Credited to 2013 estimated tax <input checked="" type="checkbox"/> 39. Refunded <input checked="" type="checkbox"/>	11	0.	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
1c 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. <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input checked="" type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
b If "Yes," has it filed a tax return on Form 990-T for this year?	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> CT		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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FOUNDATION, INCORPORATED**

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**Part VII-A Statements Regarding Activities** (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ► N/A

14 The books are in care of ► DAY PITNEY LLP Telephone no. ► 203-977-7300  
 Located at ► ONE CANTERBURY GREEN, STAMFORD, CT ZIP+4 ► 06901

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here  
 and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A

16 At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? Yes No  
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 ►

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<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 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.)	<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 instructions)? Organizations relying on a current notice regarding disaster assistance check here	<u>N/A</u>	1b
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?		1c X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? If "Yes," list the years ►	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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.)	<u>N/A</u>	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. ►		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2012 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2012)	<u>N/A</u>	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?		4b X

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**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)? ☐ 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)?

N/A

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?

N/A

☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

If "Yes" to 6b, file Form 8870

6b

X

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?

N/A

7b

**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.

(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
EILEEN M. KELLY 3905 CRYSTAL DR. BEULAH, MI 49617	PR, TR, DIR 0.25	0.	0.	0.
DANIEL J. KELLY 4077 CRYSTAL DR. BEULAH, MI 49617	DIR 0.25	0.	0.	0.
JAMES B. KELLY 3905 CRYSTAL DR. BEULAH, MI 49617	VP, SC, DIR 0.25	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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

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

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

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

0

**Part IX-A** Summary of Direct Charitable Activities

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

	Expenses
1 N/A	
2	
3	
4	

**Part IX-B** Summary of Program-Related Investments

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

	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
<b>Total.</b> Add lines 1 through 3	0.

Form 990-PF (2012)



**THE JAMES B. & EILEEN M. KELLY  
FOUNDATION, INCORPORATED**

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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	1,081,131.
<b>b</b>	Average of monthly cash balances	<b>1b</b>	167,461.
<b>c</b>	Fair market value of all other assets	<b>1c</b>	
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	1,248,592.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	0.
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	1,248,592.
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	18,729.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	1,229,863.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	61,493.

**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.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	61,493.
<b>2a</b>	Tax on investment income for 2012 from Part VI, line 5	<b>2a</b>	601.
<b>b</b>	Income tax for 2012. (This does not include the tax from Part VI.)	<b>2b</b>	449.
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	1,050.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	60,443.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	0.
<b>5</b>	Add lines 3 and 4	<b>5</b>	60,443.
<b>6</b>	Deduction from distributable amount (see instructions)	<b>6</b>	0.
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	60,443.

**Part XII Qualifying Distributions** (see instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	88,950.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	0.
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	88,950.
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	<b>5</b>	601.
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	88,349.

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

**Part XIII** Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2011	(c) 2011	(d) 2012
<b>1</b> Distributable amount for 2012 from Part XI, line 7				60,443.
<b>2</b> Undistributed income, if any, as of the end of 2012				
<b>a</b> Enter amount for 2011 only			40,615.	
<b>b</b> Total for prior years:		0.		
<b>3</b> Excess distributions carryover, if any, to 2012:				
<b>a</b> From 2007				
<b>b</b> From 2008				
<b>c</b> From 2009				
<b>d</b> From 2010				
<b>e</b> From 2011				
<b>f</b> Total of lines 3a through e	0.			
<b>4</b> Qualifying distributions for 2012 from Part XII, line 4: ► \$ 88,950.				
<b>a</b> Applied to 2011, but not more than line 2a			40,615.	
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions)		0.		
<b>c</b> Treated as distributions out of corpus (Election required - see instructions)	0.			
<b>d</b> Applied to 2012 distributable amount				48,335.
<b>e</b> Remaining amount distributed out of corpus	0.			
<b>5</b> Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b		0.		
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
<b>d</b> Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
<b>e</b> Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
<b>f</b> Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				12,108.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
<b>8</b> Excess distributions carryover from 2007 not applied on line 5 or line 7	0.			
<b>9</b> Excess distributions carryover to 2013 Subtract lines 7 and 8 from line 6a	0.			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2008				
<b>b</b> Excess from 2009				
<b>c</b> Excess from 2010				
<b>d</b> Excess from 2011				
<b>e</b> Excess from 2012				

N/A

- ☐ 4942(1)(3) or ☐ 4942(1)(5)

- (4) Gross investment income

[illegible]

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

**THE JAMES B. & EILEEN M. KELLY  
FOUNDATION, INCORPORATED**

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
BENZIE AREA CHRISTIAN NEIGHBOR 2804 BENZIE HIGHWAY, P.O. BOX 93 BENZONIA, MI 49616	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	2,500.
CALHOUN COUNTY YMCA P.O. BOX 1649 ANNISTON, AL 36202	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	500.
CHRISTIAN APPALACHIAN FOUNDATION 2610 PALUMBO DRIVE LEXINGTON, KY 40509	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	2,000.
DOCTORS WITHOUT BORDERS 333 7TH AVENUE, 2ND FLOOR NEW YORK, NY 10001-5004	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	2,000.
ESPERANZA 4261 NORTH 5TH STREET PHILADELPHIA, PA 19140	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	2,000.
Total SEE CONTINUATION SHEET(S) ▶ 3a				88,950.
b Approved for future payment				
NONE				
Total ▶ 3b				0.

▶ 3a

▶ 3b



<b>Part XVII</b>	<b>Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations</b>
------------------	----------------------------------------------------------------------------------------------------------------------

- |          |                                                                                                                                                                                                                                                                                                                                                                                              | Yes | No |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
| <b>1</b> | 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?                                                                                                                                          |     |    |
| <b>a</b> | Transfers from the reporting foundation to a noncharitable exempt organization of:                                                                                                                                                                                                                                                                                                           |     |    |
|          | (1) Cash                                                                                                                                                                                                                                                                                                                                                                                     |     | X  |
|          | (2) Other assets                                                                                                                                                                                                                                                                                                                                                                             |     | X  |
| <b>b</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  |
| <b>c</b> | Sharing of facilities, equipment, mailing lists, other assets, or paid employees                                                                                                                                                                                                                                                                                                             |     | X  |
| <b>d</b> | If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received. |     |    |

[illegible]

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

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

**Sign  
Here**

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

Signature of officer or trustee

Date \_\_\_\_\_

Title

VICE PRESIDENT

May the IRS discuss this return with the preparer shown below (see instr)?

☒ Yes    ☐ No

**Paid  
Preparer  
Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if  
self-employed

PTIN

Robert J. Miller

*[Signature]*

4/34/13

P00836026

Firm's name ► DAY PITNEY LLP

Firm's EIN ► 06-0317480

Firm's address ► **ONE CANTERBURY GREEN  
STAMFORD, CT 06901**

Phone no. 203-977-7300

Form **990-PF** (2012)

THE JAMES B. & EILEEN M. KELLY  
FOUNDATION, INCORPORATED

22-2777470

**Part XV** Supplementary Information

**3 Grants and Contributions Paid During the Year (Continuation)**

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
FRIENDS OF THE ORPHANS 134 NORTH LA SALLE STREET, SUITE 500 CHICAGO, IL 60602-1036	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	2,000.
CATHOLIC FAITH APPEAL, DIOCESE OF VENICE, FLORIDA 1000 PINEBROOK ROAD VENICE, FL 34285	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	1,000.
HOLY FAMILY HOSPITAL 70 EAST STREET METHUEN, MA 01844-4597	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	2,000.
INNER-CITY SCHOLARSHIP FUND INC. 1011 FIRST AVENUE NEW YORK, NY 10022	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	2,200.
CROSS CATHOLIC OUTREACH 2700 N. MILITARY TRAIL, SUITE 240 BOCA RATON, FL 33427-3908	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	1,000.
OUR LADY'S YOUTH CENTER 501 EAST PAISANO DRIVE EL PASO, TX 79901	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	2,000.
ST. ANN CATHOLIC CHURCH P.O. BOX 1168 FRANKFORT, MI 49635	NONE	RELIGIOUS	UNRESTRICTED GRANT	50.
ST. MARY'S HIGH SCHOOL CAMPAIGN 3535 INDIAN TRAIL ORCHARD LAKE, MI 48324-0483	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	5,000.
ST. MATTHEW'S HOUSE 2001 AIRPORT ROAD S. NAPLES, FL 34112	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	3,000.
THE FATHER FRED FOUNDATION P.O. BOX 2260 TRAVERSE CITY, MI 49685	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	2,000.
Total from continuation sheets				79,950.

THE JAMES B. & EILEEN M. KELLY  
FOUNDATION, INCORPORATED

22-2777470

**Part XV** Supplementary Information

**3 Grants and Contributions Paid During the Year (Continuation)**

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
EQUESTRIAN ORDER OF HOLY SEPULCHRE OF JERUSALEM 939 LONGMEADOW COURT LAKE BARRINGTON, IL 60010	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	1,200.
CRUDEM FOUNDATION, INC. 362 SEWALL STREET LUDLOW, MA 01056	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	3,000.
USMMA ALUMNI ASSOCIATION AND FOUNDATION 300 STEAMBOAT ROAD, BABSON CENTER KINGS POINT, NY 11024	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	10,000.
WOUNDED WARRIOR PROJECT 4899 BELFORT ROAD STE. 300 JACKSONVILLE, FL 32256	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	6,000.
GRAND TRAVERSE LAND REGIONAL LAND CONSERVANCY 3860 N. LONG LAKE ROAD, SUITE D TRAVERSE CITY, MI 49684	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	1,000.
NORTHERN MICHIGAN CATHOLIC FOUNDATION DIOCESE OF GAYLORD, 611 W. NORTH STREET GAYLORD, MI 49735	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	35,000.
SISTERS OF THE MOST PRECIOUS BLOOD 204 N MAIN STREET O'FALLON, MO 63366	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	500.
ORDER OF MALTA, AMERICAN ASSOCIATION, U.S.A. 1011 FIRST AVENUE, ROOM 1350 NEW YORK, NY 10022	NONE	PUBLIC CHARITY	UNRESTRICTED GRANT	3,000.
Total from continuation sheets				



FORM 990-PF                      GAIN OR (LOSS) FROM SALE OF ASSETS                      STATEMENT      1

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	
98,000 GMAC BANK 2.85%, 03/27/12	PURCHASED	03/27/09	03/27/12	
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
98,000.	98,000.	0.	0.	0.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	
100,000 MORGAN STANLEY 6/11/25	PURCHASED	06/23/10	12/11/12	
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
100,000.	100,005.	0.	0.	-5.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	
4,000 BUCKEYE PARTNERS	DONATED	04/23/07	05/03/12	
(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
225,632.	201,720.	0.	0.	23,912.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	
ENERGY TRANSFER EQUITY, L.P.	PURCHASED			
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
0.	0.	0.	0.	-23.
CAPITAL GAINS DIVIDENDS FROM PART IV				0.
TOTAL TO FORM 990-PF, PART I, LINE 6A				23,884.

## FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 2

SOURCE	AMOUNT
BUCKEYE PARTNERS LP	28.
ENERGY TRANSFER EQUITY, L.P.	28.
MERRILL LYNCH CMA ACCOUNT	134.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	190.

## FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 3

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
BUCKEYE PARTNERS LP	42.	0.	42.
ENERGY TRANSFER EQUITY, L.P.	228.	0.	228.
MERRILL LYNCH ACCOUNT - DIVIDENDS	27,473.	0.	27,473.
MERRILL LYNCH ACCOUNT - INTEREST	21,642.	0.	21,642.
TOTAL TO FM 990-PF, PART I, LN 4	49,385.	0.	49,385.

FORM 990-PF	OTHER INCOME		STATEMENT	4
DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	
BUCKEYE PARTNERS LP	6,038.	6,038.		
ENERGY TRANSFER EQUITY, L.P.	-813.	-813.		
ENBRIDGE ENERGY PARTNERS L.P.	-873.	-873.		
TOTAL TO FORM 990-PF, PART I, LINE 11	4,352.	4,352.		

FORM 990-PF	LEGAL FEES		STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
DAY PITNEY LLP	10,267.	10,267.		0.
TO FM 990-PF, PG 1, LN 16A	10,267.	10,267.		0.

FORM 990-PF	TAXES		STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
2011 CONNECTICUT UNRELATED BUSINESS INCOME TAX	1,239.	0.		0.
2012 ESTIMATED TAX	3,494.	0.		0.
2011 FEDERAL UNRELATED BUSINESS INCOME TAX	2,347.	0.		0.
TO FORM 990-PF, PG 1, LN 18	7,080.	0.		0.

FORM 990-PF	OTHER EXPENSES			STATEMENT	7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
MERRILL LYNCH ANNUAL FEE	150.	150.			0.
MERRILL LYNCH CHECK ORDER FEE	15.	15.			0.
TO FORM 990-PF, PG 1, LN 23	165.	165.			0.

FORM 990-PF	CORPORATE STOCK		STATEMENT	8
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE		
12,000 PFIZER INC.	289,407.	300,952.		
1,000 WELLS FARGO & CO. NEW	22,375.	34,180.		
2,000 GENERAL ELECTRIC	66,096.	41,980.		
1,000 CENTURYTEL INC.	31,688.	39,120.		
1,500 SOUTHERN CO.	57,610.	64,215.		
3,000 DOW CHEMICAL CO.	91,271.	96,988.		
500 ENBRIDGE ENERGY PARTNERS LP	13,556.	13,950.		
500 ENERGY TRANSFER EQUITY LP	18,976.	22,740.		
TOTAL TO FORM 990-PF, PART II, LINE 10B	590,979.	614,125.		

FORM 990-PF	CORPORATE BONDS		STATEMENT	9
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE		
100,000 JPMORGAN CHASE & CO. NOTES	103,505.	113,301.		
100,000 GENERAL ELECTRIC 5.25%	99,510.	117,915.		
100,000 BANK OF AMERICA CORP. 3/29/32	99,822.	100,500.		
100,000 BANK OF AMERICA CORP. 4/30/32	100,009.	100,375.		
50,000 BANK OF AMERICA CORP.	49,753.	50,188.		
TOTAL TO FORM 990-PF, PART II, LINE 10C	452,599.	482,279.		

FORM 990-PF

PART XV - LINE 1A  
LIST OF FOUNDATION MANAGERS

STATEMENT 10

## NAME OF MANAGER

EILEEN M. KELLY  
JAMES B. KELLY