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

2012

Open to Public Inspection

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 AUG 1, 2012, and ending JULY 31, 2013

Name of foundation

KEATING FOUNDATION

A Employer identification number

36-6124669

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

31740 OAKLEAF DR

Room/suite

B Telephone number (see instructions)

803-979-9777

City or town, state, and ZIP code

BENSONVILLE, IL 60106

G Check all that apply: Initial return Initial return of a former public charity
 Final return Amended return
 Address change Name change

C If exemption application is pending, check here ► D 1. Foreign organizations, check here ► 2 Foreign organizations meeting the 85% test, check here and attach computation ► E If private foundation status was terminated under section 507(b)(1)(A), check here ► F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ►

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ► \$ 377,082

J Accounting method: Cash Accrual
 Other (specify) _____

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check ► <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	<u>38,791</u>	<u>38,791</u>	<u>38,791</u>	
	4 Dividends and interest from securities				
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	<u>(29,690)</u>			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		<u>—</u>		
	8 Net short-term capital gain		<u>—</u>		
	9 Income modifications		<u>—</u>		
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less. Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)			<u>—</u>	
	12 Total. Add lines 1 through 11	<u>9,101</u>	<u>38,791</u>	<u>38,791</u>	
	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)				
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings, 2013	<u>490</u>	<u>490</u>	<u>490</u>	<u>490</u>
	22 Printing and publications				
	23 Other expenses (attach schedule)				
	24 Total operating and administrative expenses. Add lines 13 through 23	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>
	25 Contributions, gifts, grants paid	<u>2,184</u>	<u>2,184</u>	<u>2,184</u>	<u>2,184</u>
	26 Total expenses and disbursements. Add lines 24 and 25	<u>17,497</u>	<u>17,497</u>	<u>17,497</u>	
	27 Subtract line 26 from line 12:	<u>19,681</u>	<u>2,184</u>	<u>2,184</u>	<u>19,681</u>
	a Excess of revenue over expenses and disbursements	<u>(10,580)</u>			
	b Net investment income (if negative, enter -0-)		<u>36,607</u>		
	c Adjusted net income (if negative, enter -0-)			<u>2,187</u>	

For Paperwork Reduction Act Notice, see instructions.

Cat No 11289X

Form 990-PF (2012)

	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		73,866	118,665	118,668
	2 Savings and temporary cash investments				
	3 Accounts receivable ►				
	Less: allowance for doubtful accounts ►				
	4 Pledges receivable ►				
	Less: allowance for doubtful accounts ►				
	5 Grants receivable				
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7 Other notes and loans receivable (attach schedule) ►				
	Less: allowance for doubtful accounts ►				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10a Investments—U.S. and state government obligations (attach schedule)		325,371	269,787	238,419
	b Investments—corporate stock (attach schedule)				
	c Investments—corporate bonds (attach schedule)				
	11 Investments—land, buildings, and equipment: basis ►				
	Less: accumulated depreciation (attach schedule) ►				
	12 Investments—mortgage loans				
	13 Investments—other (attach schedule)				
	14 Land, buildings, and equipment: basis ►				
	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)		399,237	388,657	377,083
Liabilities	17 Accounts payable and accrued expenses				
	18 Grants payable				
	19 Deferred revenue				
	20 Loans from officers, directors, trustees, and other disqualified persons				
	21 Mortgages and other notes payable (attach schedule)				
	22 Other liabilities (describe ►)				
	23 Total liabilities (add lines 17 through 22)				
Net Assets or Fund Balances	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 type="checkbox"/>	and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds				
	28 Paid-in or capital surplus, or land, bldg., and equipment fund				
	29 Retained earnings, accumulated income, endowment, or other funds				
	30 Total net assets or fund balances (see instructions)		399,237	388,657	
	31 Total liabilities and net assets/fund balances (see instructions)		399,237	388,657	

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	399,237
2 Enter amount from Part I, line 27a	2	(10,380)
3 Other increases not included in line 2 (itemize) ►	3	
4 Add lines 1, 2, and 3	4	
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	388,657

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate 2-story brick warehouse or common stock, 200 shs MLC Co.)			(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2	(29,690)	
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	{ If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8 }		3	(10,001)	

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			
2010			
2009			
2008			
2007			
2 Total of line 1, column (d)			2
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			4
5 Multiply line 4 by line 3			5
6 Enter 1% of net investment income (1% of Part I, line 27b)			6
7 Add lines 5 and 6			7
8 Enter qualifying distributions from Part XII, line 4			8
If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions			

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 – see instructions)	
<p>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)</p> <p>b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b</p> <p>c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col. (b).</p>	
<p>2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)</p> <p>3 Add lines 1 and 2</p> <p>4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)</p> <p>5 Tax based on Investment Income. Subtract line 4 from line 3. If zero or less, enter -0-</p> <p>6 Credits/Payments:</p> <p>a 2012 estimated tax payments and 2011 overpayment credited to 2012</p> <p>b Exempt foreign organizations – tax withheld at source</p> <p>c Tax paid with application for extension of time to file (Form 8868)</p> <p>d Backup withholding erroneously withheld</p>	
<p>7 Total credits and payments. Add lines 6a through 6d</p> <p>8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached</p> <p>9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed</p> <p>10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid</p> <p>11 Enter the amount of line 10 to be: Credited to 2013 estimated tax ►</p>	
<p>Refunded ►</p>	
<p>11</p>	

Part VII-A Statements Regarding Activities	
<p>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?</p>	
<p>b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?</p>	
<p><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></p>	
<p>c Did the foundation file Form 1120-POL for this year?</p>	
<p>d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:</p> <p>(1) On the foundation. ► \$ _____ (2) On foundation managers. ► \$ _____</p>	
<p>e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ _____</p>	
<p>2 Has the foundation engaged in any activities that have not previously been reported to the IRS?</p> <p><i>If "Yes," attach a detailed description of the activities.</i></p>	
<p>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></p>	
<p>4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?</p>	
<p>b If "Yes," has it filed a tax return on Form 990-T for this year?</p>	
<p>5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?</p> <p><i>If "Yes," attach the statement required by General Instruction T.</i></p>	
<p>6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:</p> <ul style="list-style-type: none"> • 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? 	
<p>7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i></p>	
<p>8a Enter the states to which the foundation reports or with which it is registered (see Instructions) ►</p> <p><i>T, L, N, W, S</i></p>	
<p>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</p>	
<p>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</p>	
<p>10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses</p>	

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)	<input checked="" type="checkbox"/> 11	<input checked="" type="checkbox"/>
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)	<input checked="" type="checkbox"/> 12	<input checked="" type="checkbox"/>
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ►	<input checked="" type="checkbox"/> 13	<input checked="" type="checkbox"/>
14	The books are in care of ► <i>Br. William K. Lapp, Jr.</i> Telephone no. ► <i>773-791-3860</i> Located at ► <i>3855 Aurora Boulevard, Suite 100, 11th Floor, Chicago, IL 60612</i> ZIP+4 ► <i>60673</i>		
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		
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? See the instructions for exceptions and filing requirements for Form TD F 90-22-1. If "Yes," enter the name of the foreign country ►	<input checked="" type="checkbox"/> 16	<input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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.

		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 ► <input type="checkbox"/>		
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?		
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		
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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	If "Yes," list the years ► <i>20 20 20 20</i>		
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)		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► <i>20 20 20 20</i>		
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)		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		
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?		

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:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		5b <i>N/A</i>
(1)	Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
	Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
	If "Yes," attach the statement required by Regulations section 53.4945–5(d).			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		6b
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	If "Yes" to 6b, file Form 8870.			7b
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?			

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
<i>RICHARD KEOHIGH III 1092 Sizemore Annex SC 29810</i>	<i>Pres 1/4</i>	<i>-0-</i>	<i>-0-</i>	<i>-0-</i>
<i>MARLENE KEOHIGH 1092 Sizemore Annex SC 29810</i>	<i>VP 1/4</i>	<i>-0-</i>	<i>-0-</i>	<i>-0-</i>
<i>Thomas L. KEOHIGH 301740 Cancer Research Institute</i>	<i>Pres 1/4</i>	<i>-0-</i>	<i>-0-</i>	<i>-0-</i>

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
<i>NO Compensation</i>				

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

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

Part IX-A Summary of Direct Charitable Activities

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

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 ►		

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 <u>290,000</u>
b	Average of monthly cash balances	1b <u>85,000</u>
c	Fair market value of all other assets (see instructions)	1c <u></u>
d	Total (add lines 1a, b, and c)	1d <u>375,000</u>
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e <u></u>
2	Acquisition indebtedness applicable to line 1 assets	2 <u></u>
3	Subtract line 2 from line 1d	3 <u>375,000</u>
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4 <u>5,625</u>
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5 <u>369,375</u>
6	Minimum investment return. Enter 5% of line 5	6 <u>18,469</u>

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 <u>18,469</u>
2a	Tax on investment income for 2012 from Part VI, line 5	2a <u>733</u>
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b <u></u>
c	Add lines 2a and 2b	2c <u>773</u>
3	Distributable amount before adjustments. Subtract line 2c from line 1	3 <u>171,696</u>
4	Recoveries of amounts treated as qualifying distributions	4 <u></u>
5	Add lines 3 and 4	5 <u>171,696</u>
6	Deduction from distributable amount (see instructions)	6 <u></u>
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7 <u>171,696</u>

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 <u>17,497</u>
b	Program-related investments – total from Part IX-B	1b <u></u>
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2 <u></u>
3	Amounts set aside for specific charitable projects that satisfy the:	
a	Suitability test (prior IRS approval required)	3a <u></u>
b	Cash distribution test (attach the required schedule)	3b <u></u>
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4 <u>171,497</u>
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 <u></u>
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6 <u>171,497</u>

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)

1 Distributable amount for 2012 from Part XI, line 7

2 Undistributed income, if any, as of the end of 2012:

a Enter amount for 2011 only

b Total for prior years: 20 20

3 Excess distributions carryover, if any, to 2012:

a From 2007

b From 2008

c From 2009

d From 2010

e From 2011

f Total of lines 3a through e

4 Qualifying distributions for 2012 from Part XII, line 4: ► \$ 17,497

a Applied to 2011, but not more than line 2a

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 2012 distributable amount

e Remaining amount distributed out of corpus

5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a))

6 Enter the net total of each column as indicated below:

a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5

b Prior years' undistributed income Subtract line 4b from line 2b

c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed

d Subtract line 6c from line 6b Taxable amount—see instructions

e Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount—see instructions

f Undistributed income for 2012 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013

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 2007 not applied on line 5 or line 7 (see Instructions)

9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a

10 Analysis of line 9:

a Excess from 2008

b Excess from 2009

c Excess from 2010

d Excess from 2011

e Excess from 2012

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

1a	If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling ►																																											
b	Check box to indicate whether the foundation is a private operating foundation described in section <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)																																											
2a	<table border="1"> <thead> <tr> <th rowspan="2">Tax year</th> <th colspan="3">Prior 3 years</th> <th rowspan="2">(e) Total</th> </tr> <tr> <th>(a) 2012</th> <th>(b) 2011</th> <th>(c) 2010</th> <th>(d) 2009</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>					Tax year	Prior 3 years			(e) Total	(a) 2012	(b) 2011	(c) 2010	(d) 2009																														
Tax year	Prior 3 years			(e) Total																																								
	(a) 2012	(b) 2011	(c) 2010		(d) 2009																																							
b	85% of line 2a																																											
c	Qualifying distributions from Part XII, line 4 for each year listed																																											
d	Amounts included in line 2c not used directly for active conduct of exempt activities																																											
e	Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c																																											
3	Complete 3a, b, or c for the alternative test relied upon:																																											
a	"Assets" alternative test—enter:																																											
	(1) Value of all assets																																											
	(2) Value of assets qualifying under section 4942(j)(3)(B)(i)																																											
b	"Endowment" alternative test—enter $\frac{2}{3}$ of minimum investment return shown in Part X, line 6 for each year listed																																											
c	"Support" alternative test—enter:																																											
	(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)																																											
	(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(ii)																																											
	(3) Largest amount of support from an exempt organization																																											
	(4) Gross investment income																																											

Part XV **Supplementary Information** (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))
None

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ► if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete Items 2a, b, c, and d.

- a The name, address, and telephone number or e-mail of the person to whom applications should be addressed;
- b The form in which applications should be submitted and information and materials they should include;
- c Any submission deadlines;
- d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors;

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

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

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

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				
James L. Hammons McL Department #939 P.O. Box 6046 Aiken SC 29804-6046			Donation	706
Accts 340 Penn Ave. Aiken, SC 29801			Donation	1900
Ray O'Herron Co. 523 W. Roosevelt Lombard, IL 60148			Teacher Police Pay	807
Ray Graham Assoc 901 Warner View, RD Lisle, IL 60532			Therapeutic Riding	500
Mark Hall 126 Pendleton St Aiken SC 29801				2,000
Total				► 3a 6,407
b Approved for future payment				
Total				► 3b

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				
St. THADDEUS CHURCH 126 PENDLETON ST AIKEN SC 29801			Donation	250
MAKE A WISH FOUNDATION 4742 N. 24 TH ST. SUITE 400 PHOENIX, AZ. 85016			Donation	1000
THE HERITAGE FOUNDATION 214 MASSACHUSETTS AVENUE WASHINGTON, DC 20002 WOUNDED WARRIOR PROJECT 4899 BELFORD RD SUITE 300			Donation	3000
JACKSONVILLE, FL. PL 32254 SOUTHL HAGERSTOWN HIGH SCHOLARSHIP FUND 12013 ST. PAUL RD OLYMPIA SPRINGS MD. 21724			Donation	250
Total			Donation	100
b Approved for future payment				3600
Total				3600

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
a Paid during the year				
YORK Place Episcopal Home for Children 234 HAWKES MOUNTAIN St. YORK, SC 29785-1131 East Aiken Health Center 1847 HATCHAWAY Road #D Aiken, SC 29805 Golden Harvest Food Bank 13 Enterprise Ave. Aiken SC 29805 Give Kids the World 210 S. Bass Rd Kissimmee FL 34746 St. THADDEUS Church Soup Kitchen 126 PENDLETON St Aiken, SC 29803			Donation	500
			Donation	1500
			Donation	500
Total				3500
b Approved for future payment				
Total				3b

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
a Paid during the year				
Arthochorn Woods Foundation P.O. Box 1702 Aiken, SC 29802			Donation	100
Culinary Institute of America 1946 Campus Dr. Hyde Park, NY 12538-1499			Scholarship	1000
The Museum of Science and Industry 57TH AND LAKESIDE AVENUE Chicago, IL 60637			Donation	215
Chicago Zoological Society Brookfield Zoo 3300 Golf Rd Brookfield, IL 60513			Donation	225
FOFAS PO Box 2207 Aiken, SC 29802			Donation	500
Total				2040
b Approved for future payment				
Total				

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				
Michael Massie The Daily Rant P. O. Box 31 Zion Hill, PA. 18981			Donation	500
SHHS Touchdown Club c/o Stephenie Shantz P. O. Box 294 Funkstown, MD. 21784 Paralyzed Veterans of America			Donation	500
7 Mill Brook Road PO Box 9517 Wilton, NH 03086-9517			Donation	250
DoJ PO Box 14301 Cincinnati, OH 45280			Donation	200
Total				1300 ▶ 3a
b Approved for future payment				
Total				3b ▶

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				
HILLSDALE COLLEGE 33 College St HILLSDALE, MI 49242			Donation	250
FORREST TEE & ALICE 901 Hounds Lane Dr. Aiken, SC 29830			Donation	200
				<u>450</u>
P. 606 Donations				17,497
Total				► 3a
b Approved for future payment				
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) Exclusion code	(d) Amount	
1	Program service revenue:					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments					
4	Dividends and interest from securities					
5	Net rental income or (loss) from real estate:					
a	Debt-financed property					
b	Not debt-financed property					
6	Net rental income or (loss) from personal property					
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory					
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue: a					
b						
c						
d						
e						
12	Subtotal. Add columns (b), (d), and (e)					
13	Total. Add line 12, columns (b), (d), and (e)					

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

13

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

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

	Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
a Transfers from the reporting foundation to a noncharitable exempt organization of:		
(1) Cash	1a(1)	
(2) Other assets	1a(2)	
b Other transactions:		
(1) Sales of assets to a noncharitable exempt organization	1b(1)	
(2) Purchases of assets from a noncharitable exempt organization	1b(2)	
(3) Rental of facilities, equipment, or other assets	1b(3)	
(4) Reimbursement arrangements	1b(4)	
(5) Loans or loan guarantees	1b(5)	
(6) Performance of services or membership or fundraising solicitations	1b(6)	
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c	
d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting 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.		

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

**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.~~

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Signature of officer or trustee		Date	Title		
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input checked="" type="checkbox"/> if self-employed	PTIN
	Thomas Lopez	<i>Thomas Lopez</i>	11-7-13		P00862928
	Firm's name ► Thomas Lopez		Firm's EIN ►		
Firm's address ► 32740 OAK LEAF Dr BENSenville, IL 60106		Phone no. ► 630-530-2091			

2012

Kearney Foundation 36-6124669 P.6A

OTHER DIRECTORS

C

D

E

RICHARD T. KEARING IV TRUSTEE 1 HOUR -0- -0- -0-
P.O. Box 175
New Wilmington, PA 16142-1414

WILLIAM KEARING TRUSTEE 1 HOUR

3859 Mount Beulah Rd
Sherrills Ford, NC 28673 -0- -0- -0-

Part IV Short Term Sales

Quantity	Description	How Acquired	Date Acquired	Days Sales Outstanding	Cross Sales Cost	Cost
1,000	Award	P	12-6-11	9-28-12	6,832	6,416
1,000	LIBERTY Silver	P	1-24-12	9-16-12	1,510	850
281	Conseco Total Life	P	1-24-12	7-11-12	2,122	1,711
1,000	America Capital	P	4-11-13	6-13-13	25,184	32,916
2,000	America Residential	P	9-4-12	6-20-13	9,200	14,960
1,300	Conseco Total	P	9-11-12	6-11-13	7,761	7,397
1,000	Fidelity Investment	P	2-15-13	6-13-13	6,164	4,110
500	Investment Resources	P	5-9-13	6-13-13	7,722	6,500
2,000	MetLife Long Economy	P	5-14-12	5-14-13	12,389	13,200
2,949	MetLife	P	2-28-13	4-4-13	44,113	41,308
200	MetLife	P	3-26-13	1/6,007	17,594	2,805
705	MetLife - Long Economy	P	5-1-13	1/3,220	16,832	3,851
1,000	America Capital	P	2-28-13	4-9-13	32,899	31,813
1,051	MetLife Long Economy	P	2-21-13	7-11-13	16,927	6,056
4,000	New York Mutual	P	9-4-12	6-16-13	27,452	28,227
					23,952	24,3993
						(10,001)
						139,997
						159,686
						179,687
						372,989
						402,679
						(29,690)

Long Term
Total Long Term Sales and Future Losses)

Part IV Bank Statement P.2

Keating Foundation

Capital Loss P.2

Description	How Acquired	Date Acquired	Date Sold	Gross Sale	Cost (less Loss)
5500 Bank 21	P	8-5-11	9-28-12	37,586	37,910 (324)
53 Consignment P		1-13-09	9-11-12	5,153	5,833 (680)
1000 Estimated P		11-17-11	3-12-13	22,870	16,795 3,076
1000 Blasnoch P		2-11-09	5-29-13	4,860	2,650 1820
1000 Consigned P		4-23-10	6-13-13	13,335	11,709 628
7000 Adams P		3-7-12	6-20-13	41,400	6,1755 (20,358)
1000 Franson P		4-5-11	6-13-13	4164	8,066 (3,901)
2000 Reserves P		5-11-11	6-13-13	12,389	12,941 (552)
					<u>139997</u> <u>159686 (19,689)</u>

Keathire Foundation 36-6124669
 July 31, 2013

Initials	Date
Prepared By	
Approved By	

© WILSON JONES

G7504 ColumnWrite®

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 B P PETROLEUM
 CALAMOS
 CAPSTAN
 CHIMERA
 CONVERSATION
 CONSOUL 2010
 FRONTLINE
 FUND
 LIBERTY
 NURSEN
 PENNSTATE
 RESOURCES
 VECTOR

	Book Value	Book Value	Margin Basis
7-31-13	7-31-13	7-31-13	
73866	118668	118668	
61756			
44367	50676	37383	
2680			
—	9431	8983	
8660	8668	6300	
11707			
52700	63510	64070	
7140	35956	35210	
9636	9536	8745	
8068			
11280	28230	33760	
2650			
27600			
11400	11700	10700	
12940			
532682	516812	53263	
399207	388657	377082	

Part 1 Line 16B
 ACCOUNTING FEE
 Preparing 990-PF

540

Line 18 Franchise Tax
 For 2011-12 = 990-PF

1133

Line 29
 TLL FRANCHISE FEE

10