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Return of Private Foundation

or Section 4947(a)(1) Trust Treated as Private Foundation

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Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

2013

Open to Public Inspection

For calendar year 2013 or tax year beginning

, and ending

Name of foundation The Henry A. and Mary J. MacDonald Foundation		A Employer identification number 25-1640459
Number and street (or P O box number if mail is not delivered to street address) 100 State Street	Room/suite 700	B Telephone number (814) 870-7705
City or town, state or province, country, and ZIP or foreign postal code Erie, PA 16507-1459		C If exemption application is pending, check here ☐
G Check all that apply. ☐ Initial return ☐ Final return ☐ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ Name change		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
H Check type of organization. ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 65,295.	J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) _____	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))		(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 ☒ if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities		954.	954.		Statement 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		1,101.			
b Gross sales price for all assets on line 6a		18,039.			
7 Capital gain net income (from Part IV, line 2)			1,101.		
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					
12 Total. Add lines 1 through 11		2,055.	2,055.		
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 2		3,576.	1,788.		1,788.
b Accounting fees					
c Other professional fees Stmt 3		219.	219.		0.
17 Interest					
18 Taxes Stmt 4		19.	3.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses					
24 Total operating and administrative expenses. Add lines 13 through 23		3,814.	2,010.		1,788.
25 Contributions, gifts, grants paid		3,100.			3,100.
26 Total expenses and disbursements. Add lines 24 and 25		6,914.	2,010.		4,888.
27 Subtract line 26 from line 12		-4,859.			
a Excess of revenue over expenses and disbursements			45.		
b Net investment income (if negative, enter -0-)					
c Adjusted net income (if negative, enter -0-)				N/A	

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Part II Balance Sheets		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		
Assets	1 Cash - non-interest-bearing					
	2 Savings and temporary cash investments			1,305.	2,211.	2,211.
	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 5			49,445.	45,340.	63,084.
	c Investments - corporate bonds Stmt 6			1,656.	0.	0.
	11 Investments - land, buildings, and equipment basis					
Less: accumulated depreciation						
12 Investments - mortgage loans						
13 Investments - other						
14 Land, buildings, and equipment basis						
Less: accumulated depreciation						
15 Other assets (describe)						
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item 1)			52,406.	47,551.	65,295.	
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					
	22 Other liabilities (describe)					
	23 Total liabilities (add lines 17 through 22)			0.	0.	
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			52,406.	47,551.	
	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, bldg., and equipment fund					
	29 Retained earnings, accumulated income, endowment, or other funds					
30 Total net assets or fund balances			52,406.	47,551.		
31 Total liabilities and net assets/fund balances			52,406.	47,551.		

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	52,406.
2 Enter amount from Part I, line 27a	2	-4,859.
3 Other increases not included in line 2 (itemize) Rounding Adjustment	3	4.
4 Add lines 1, 2, and 3	4	47,551.
5 Decreases not included in line 2 (itemize)	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	47,551.

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 Short Term - see attached	P		
b Long Term - see attached	P		
c Charles Schwab - Settlement Proceeds	P		
d Capital Gains Dividends			
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 8,737.		8,669.	68.
b 8,755.		8,269.	486.
c 30.			30.
d 517.			517.
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			68.
b			486.
c			30.
d			517.
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	1,101.
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) If (loss), enter -0- in Part I, line 8 }	3	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))
2012	4,259.	60,731.	.070129
2011	4,471.	63,373.	.070551
2010	2,565.	60,477.	.042413
2009	3,049.	52,789.	.057758
2008	3,600.	66,630.	.054030

2 Total of line 1, column (d)	2	.294881
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	.058976
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	62,844.
5 Multiply line 4 by line 3	5	3,706.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	0.
7 Add lines 5 and 6	7	3,706.
8 Enter qualifying distributions from Part XII, line 4	8	4,888.

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 ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary-see instructions)		1	0.
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, col (b)		2	0.
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		3	0.
3 Add lines 1 and 2		4	0.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		5	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-			
6 Credits/Payments:			
a 2013 estimated tax payments and 2012 overpayment credited to 2013	6a		
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		0.
8 Enter any penalty for underpayment of estimated tax. Check here ☐ 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		0.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2014 estimated tax ☐ Refunded ☐	11		

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 the 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. ▶ \$ 0. (2) On foundation managers. ▶ \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ 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?		N/A
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) ▶ PA		
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 2013 or the taxable year beginning in 2013 (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

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 ► N/A	13	X	
14	The books are in care of ► The Foundation Located at ► 100 State Street, Suite 700, Erie, PA Telephone no ► 814/870-7705 ZIP+4 ► 16507-1459			
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 2013, 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 ►	16	Yes	No X

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? ☐ 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)? Organizations relying on a current notice regarding disaster assistance check here ☐ N/A	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 2013? ☐ Yes ☒ No	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 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? ☐ Yes ☒ No If "Yes," list the years ►		
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) ☐ Yes ☒ No	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. ☐ N/A		
3a 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 2013 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 2013.) ☐ Yes ☒ No	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 2013?	4b	X

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

5bOrganizations 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?**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?

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
James D. Cullen	President and	Director		
100 State Street, Suite 700				
Erie, PA 165071459	0.00	0.	0.	0.
John A. Lauer	Vice Pres.,	Treas., Dir.		
100 State Street, Suite 700				
Erie, PA 165071459	0.00	0.	0.	0.
Michael P. Thomas	Secretary and	Director		
100 State Street, Suite 700				
Erie, PA 165071459	0.00	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

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	

Total. Add lines 1 through 3

0.

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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	61,548.
b	Average of monthly cash balances	1b	2,253.
c	Fair market value of all other assets	1c	0.
d	Total (add lines 1a, b, and c)	1d	63,801.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	63,801.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	957.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	62,844.
6	Minimum investment return. Enter 5% of line 5	6	3,142.

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	3,142.
2a	Tax on investment income for 2013 from Part VI, line 5	2a	
b	Income tax for 2013. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	0.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	3,142.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	3,142.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	3,142.

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	4,888.
b	Program-related investments - total from Part IX-B	1b	0.
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	4,888.
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	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	4,888.

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 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7				3,142.
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2013:				
a From 2008				
b From 2009	374.			
c From 2010				
d From 2011	1,330.			
e From 2012	1,246.			
f Total of lines 3a through e	2,950.			
4 Qualifying distributions for 2013 from Part XII, line 4: $\blacktriangleright$ \$	4,888.			
a Applied to 2012, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2013 distributable amount				3,142.
e Remaining amount distributed out of corpus	1,746.			
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	4,696.			
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		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2012 Subtract line 4a from line 2a Taxable amount - see instr.			0.	
f Undistributed income for 2013. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2014				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	4,696.			
10 Analysis of line 9.				
a Excess from 2009	374.			
b Excess from 2010				
c Excess from 2011	1,330.			
d Excess from 2012	1,246.			
e Excess from 2013	1,746.			

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				
Saratoga Care Foundation 211 Church Street Saratoga Springs, NY 12866	N/A	Public Charity	General Unrestricted	3,100.
Total			3a	3,100.
b Approved for future payment				
None				
Total			3b	0.

Part XVI-A

Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
		14	954.	
		18	1,101.	
	0.		2,055.	0.

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).
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Form 990-PF	Dividends and Interest from Securities	Statement	1
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Source	Gross Amount	Capital Gains Dividends	(a) Revenue Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income
Charles Schwab	1,464.	517.	947.	947.	
Charles Schwab - Additional Dividend	7.	0.	7.	7.	
To Part I, line 4	1,471.	517.	954.	954.	

Form 990-PF

Legal Fees

Statement 2

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
MacDonald Illig Jones & Britton LLP - legal fees	3,576.	1,788.		1,788.
To Fm 990-PF, Pg 1, ln 16a	3,576.	1,788.		1,788.

Form 990-PF	Other Professional Fees			Statement	3
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
Schwab - Investment Mngt. Fees	219.	219.		0.	
To Form 990-PF, Pg 1, ln 16c	219.	219.		0.	

Form 990-PF

Taxes

Statement 4

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
2012 990-PF Tax	12.	0.		0.
Foreign Tax Paid	7.	3.		0.
To Form 990-PF, Pg 1, ln 18	19.	3.		0.

Form 990-PF

Corporate Stock

Statement 5

Description	Book Value	Fair Market Value
T.Rowe Price Mid-Cap Growth Fund	3,806.	6,711.
Artisan International Fund	2,420.	4,418.
Schwab Inst'l. Sel. S&P	6,686.	11,546.
Vanguard Morgan Growth	920.	1,467.
iShares Russell 2000 Value	3,251.	4,378.
iShares Russell Midcap Value	2,982.	5,323.
Vanguard Corp Bond Market	13,625.	13,882.
Vanguard MSCI Emerging	0.	0.
Vanguard Growth	3,399.	4,653.
Brown Capital Management Small Cap	1,803.	3,467.
Vanguard FTSE	2,172.	1,892.
Vanguard Value ETF	4,276.	5,347.
Total to Form 990-PF, Part II, line 10b	45,340.	63,084.

Form 990-PF

Corporate Bonds

Statement 6

Description	Book Value	Fair Market Value
Buffalo Science & Tech. Fd	0.	0.
Total to Form 990-PF, Part II, line 10c	0.	0.

Form 990-PF	Grant Application Submission Information Part XV, Lines 2a through 2d	Statement	7
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Name and Address of Person to Whom Applications Should be Submitted

James D. Cullen, 100 State St., Suite 700, Erie, PA 16507, (814) 870-7705

Telephone Number

(814)870-7705

Form and Content of Applications

See Attached.

Any Submission Deadlines

There are no submission deadlines.

Restrictions and Limitations on Awards

There are no restrictions or limitations on awards other than financial resources of the Foundation.

Schwab One® Account of
**HENRY A & MARY J MACDONALD
FOUNDATION**

Account Number
4104-5378

**TAX YEAR 2013
FORM 1099 COMPOSITE**

Date Prepared: February 7, 2014

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Recipient's Name and Address

HENRY A & MARY J MACDONALD
FOUNDATION
100 STATE STREET SUITE 700
ERIE PA 16507

Taxpayer ID Number: 25-1640459
Account Number: 4104-5378

Payer's Name and Address

CHARLES SCHWAB & CO., INC.
211 MAIN STREET
SAN FRANCISCO, CA 94105
Telephone Number: (800) 515-2157
Federal ID Number: 94-1737782

Proceeds from Broker Transactions — 2013

Form 1099-B

Department of the Treasury-Internal Revenue Service

Copy B for Recipient (OMB No. 1545-0715)

1c-Type of gain or loss: Short-term (Report on Form 8949, Part I, with **Box A** checked.)

6b-Basis reported to IRS

**SHORT-TERM HOLDING PERIOD
COST BASIS IN THIS SECTION IS REPORTED TO THE IRS**

8-Description	CUSIP Number 1d-Stock or other symbol	1b-Date of acquisition 1a-Date of sale or exchange	2a-Sales price of stocks, bonds, etc. (less commissions and options premiums) 1e-Quantity sold	3-Cost or other basis	5-Wash sale loss disallowed	4-Federal income tax withheld
VANGUARD CORP BOND ETF SHORT-TERM CORP	92206C409 VCSH	01/11/13	\$ 6,562.04 \$ 82.00	6,570.91 \$	0.00 \$	0.00
VANGUARD CORP BOND ETF SHORT-TERM CORP	92206C409 VCSH	08/14/13 12/18/13	\$ 1,033.29 \$ 13.00	1,052.88 \$	0.00 \$	0.00
Security Subtotal			\$ 7,595.33 \$	7,623.79 \$	0.00 \$	0.00
VANGUARD GROWTH	922908736 VUG	01/11/13 08/14/13	\$ 1,141.36 \$ 14.00	1,045.01 \$	0.00 \$	0.00
Security Subtotal			\$ 1,141.36 \$	1,045.01 \$	0.00 \$	0.00
Total Short-Term (Cost basis is reported to the IRS)			\$ 8,736.69 \$	8,668.80		
Total Short-Term Sales Price of Stocks, Bonds, etc.			\$ 8,736.69 \$	8,668.80		

Please see the "Notes for Your Form 1099-B" section for additional explanation of this Form 1099-B report.

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

Schwab One® Account of
**HENRY A & MARY J MACDONALD
FOUNDATION**

Account Number
4104-5378

**TAX YEAR 2013
FORM 1099 COMPOSITE**

*charles***SCHWAB**

Taxpayer ID Number: 25-1640459

Date Prepared: February 7, 2014

Proceeds from Broker Transactions — 2013 (continued)

Form 1099-B

Department of the Treasury-Internal Revenue Service

Copy B for Recipient (OMB No. 1545-0715)

1c-Type of gain or loss: Long-term (Report on Form 8949, Part II, with **Box A** checked.)

LONG-TERM HOLDING PERIOD

6b-Basis reported to IRS

COST BASIS IN THIS SECTION IS REPORTED TO THE IRS

8-Description	CUSIP Number	1d-Stock or other symbol	1a-Date of sale or exchange	1b-Date of acquisition	2a-Sales price of stocks, bonds, etc. (less commissions and options premiums)	1e-Quantity sold	3-Cost or other basis	5-Wash sale loss disallowed	4-Federal income tax withheld
VANGUARD CORP BOND ETF	92206C409	S	08/21/12	\$	1,351.22	\$	1,360.75	\$	0.00
SHORT-TERM CORP	VCSH		12/18/13		17.00				0.00
Security Subtotal				\$	1,351.22	\$	1,360.75	\$	0.00
Total Long-Term (Cost basis is reported to the IRS)				\$	1,351.22	\$	1,360.75		0.00

Total Long-Term Sales Price of Stocks, Bonds, etc.

\$ 1,351.22

\$ 1,360.75

Total Sales Price of Stocks, Bonds, etc.

\$ 10,087.91

Total Federal Income Tax Withheld

\$ 0.00

Notes for your Form 1099-B

Schwab has provided cost basis information whenever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings. When value for the report is unavailable, it is noted as follows: "Missing" or "Not Provided"

Not Provided Schwab is not providing Cost Basis on this security type.

Missing Cost Basis may be missing due to one of the following reasons:

- Cost basis data may not be available for a number of reasons (for example, the security was purchased outside of Schwab and we did not receive cost basis from the transferring firm).
- The security was purchased more than 10 years ago.

Please see the "Notes for Your Form 1099-B" section for additional explanation of this Form 1099-B report.

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

TAX YEAR 2013 YEAR-END SUMMARY

Schwab One® Account of
HENRY A & MARY J MACDONALD
FOUNDATION

Account Number
4104-5378

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YEAR-END SUMMARY INFORMATION IS NOT PROVIDED TO THE IRS.

The Information in this and all subsequent sections is not provided to the IRS by Charles Schwab. It is provided to you as additional tax reporting information you may need to complete your tax return.

Date Prepared: February 7, 2014

REALIZED GAIN OR (LOSS)

The information in the following sections include all your realized gain or (loss) transactions during the tax year. They may be helpful for, but not limited to, Schedule D. Please consult with your tax advisor or financial advisor regarding specific questions.

Short-Term Realized Gain or (Loss)

This section is for covered securities and corresponds to transactions reported on your 1099-B as "cost basis is reported to the IRS." Report on Form 8949, Part I, with Box A checked.

Description	CUSIP Number	Quantity/Par	Date of Acquisition	Date of Sale	Total Proceeds	Cost Basis	Loss Disallowed	Wash Sale	Realized Gain or (Loss)
VANGUARD CORP BOND ET	92206C409	48.00	08/06/12	01/11/13	\$ 3,841.19	\$ 3,849.41	\$ 0.00	\$ 0.00	\$ (8.22)
VANGUARD CORP BOND ET	92206C409	34.00	08/21/12	01/11/13	\$ 2,720.85	\$ 2,721.50	\$ 0.00	\$ 0.00	\$ (0.65)
VANGUARD CORP BOND ET	92206C409	13.00	08/14/13	12/18/13	\$ 1,033.29	\$ 1,052.88	\$ 0.00	\$ 0.00	\$ (19.59)
Security Subtotal				\$	7,595.33	7,623.79	0.00	0.00	(28.46)
VANGUARD GROWTH	922908736	14.00	01/11/13	08/14/13	\$ 1,141.36	\$ 1,045.01	\$ 0.00	\$ 0.00	\$ 96.35
Security Subtotal				\$	1,141.36	1,045.01	0.00	0.00	96.35
Total Short-Term (Cost basis is reported to the IRS)				\$	8,736.69	8,668.80	0.00	0.00	67.89
Total Short-Term				\$	8,736.69	8,668.80	0.00	0.00	67.89

Please see the "Endnotes for Your Realized Gain or (Loss)" for an explanation of the codes and symbols in this Realized Gain or (Loss) section.



TAX YEAR 2013 YEAR-END SUMMARY

Account Number
4104-5378

Schwab One® Account of
HENRY A & MARY J MACDONALD
FOUNDATION

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YEAR-END SUMMARY INFORMATION IS NOT PROVIDED TO THE IRS.

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Date Prepared: February 7, 2014

Long-Term Realized Gain or (Loss)

This section is for covered securities and corresponds to transactions reported on your 1099-B as "cost basis is reported to the IRS." Report on Form 8949, Part II, with Box A checked

Description	CUSIP Number	Quantity/Par	Date of Acquisition	Date of Sale	Total Proceeds	Cost Basis	Wash Sale Loss Disallowed	Realized Gain or (Loss)
VANGUARD CORP BOND ET	92206C409	17.00	08/21/12	12/18/13	\$ 1,351.22	\$ 1,360.75	\$ 0.00	(9.53)
Security Subtotal					\$ 1,351.22	\$ 1,360.75	\$ 0.00	(9.53)
Total Long-Term (Cost basis is reported to the IRS)					\$ 1,351.22	\$ 1,360.75	\$ 0.00	(9.53)

Long-Term Realized Gain or (Loss)

The transactions in this section are not reported on Form 1099-B or to the IRS Report on Form 8949, Part II, with Box C checked.

Description	CUSIP Number	Quantity/Par	Date of Acquisition	Date of Sale	Total Proceeds	Cost Basis	Wash Sale Loss Disallowed	Realized Gain or (Loss)
BUFFALO DISCOVERY FUND	119530103	125.80	06/02/06	08/14/13	\$ 2,429.24	\$ 1,655.56 ^a	\$ 0.00	773.68
Security Subtotal					\$ 2,429.24	\$ 1,655.56	\$ 0.00	773.68
VANGUARD FTSE EMERGIN	922042858	40.00	01/13/11	08/14/13	\$ 1,588.16	\$ 1,950.17	\$ 0.00	(362.01)
Security Subtotal					\$ 1,588.16	\$ 1,950.17	\$ 0.00	(362.01)
VANGUARD MORGAN GROW	921928107	88.53	10/25/07	01/11/13	\$ 1,788.24	\$ 1,919.40 ^a	\$ 0.00	(131.16)
VANGUARD MORGAN GROW	921928107	50.86	10/25/07	08/14/13	\$ 1,190.42	\$ 1,102.73 ^a	\$ 0.00	87.69

Please see the "Endnotes for Your Realized Gain or (Loss)" for an explanation of the codes and symbols in this Realized Gain or (Loss) section.

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Schwab One® Account of
HENRY A & MARY J MACDONALD
FOUNDATION

Account Number
4104-5378

TAX YEAR 2013
YEAR-END SUMMARY

YEAR-END SUMMARY INFORMATION IS NOT PROVIDED TO THE IRS.

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Date Prepared: February 7, 2014

Long-Term Realized Gain or (Loss) (continued)

The transactions in this section are not reported on Form 1099-B or to the IRS Report on Form 8949, Part II, with Box C checked

Description	CUSIP Number	Quantity/Par	Date of Acquisition	Date of Sale	Total Proceeds	Cost Basis	Loss Disallowed	Wash Sale	Realized Gain or (Loss)
VANGUARD MORGAN GROW	921928107	17.44	01/11/10	08/14/13	\$ 408.19	\$ 280.06 ^a	\$ 0.00	\$ 0.00	\$ 128.13
Security Subtotal				\$	\$ 3,386.85	\$ 3,302.19	\$ 0.00	\$ 0.00	\$ 84.66
Total Long-Term (Transactions are not reported on Form 1099-B or to the IRS)				\$	\$ 7,404.25	\$ 6,907.92	\$ 0.00	\$ 0.00	\$ 496.33
Total Long-Term				\$	\$ 8,755.47	\$ 8,268.67	\$ 0.00	\$ 0.00	\$ 486.80



**TAX YEAR 2013
YEAR-END SUMMARY**

Account Number
4104-5378

Schwab One® Account of
**HENRY A & MARY J MACDONALD
FOUNDATION**

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YEAR-END SUMMARY INFORMATION IS NOT PROVIDED TO THE IRS.
Date Prepared: February 7, 2014
The information in this and all subsequent sections is not provided to the IRS by Charles Schwab. It is provided to you as additional tax reporting information you may need to complete your tax return.

Realized Gain or (Loss) Summary

Total Realized Gain or (Loss)

Description	Total Proceeds	Cost Basis	Wash Sale		Realized Gain or (Loss)
			Loss Disallowed		
Total Short-Term Realized Gain or (Loss) (Cost basis is reported to the IRS. Report on Form 8949, Part I, with Box A checked.)	\$ 8,736.69 \$	\$ 8,668.80 \$	0.00 \$		67.89
Total Short-Term Realized Gain or (Loss)	\$ 8,736.69 \$	\$ 8,668.80 \$	0.00 \$		67.89
Total Long-Term Realized Gain or (Loss) (Cost basis is reported to the IRS. Report on Form 8949, Part II, with Box A checked.)	\$ 1,351.22 \$	\$ 1,380.75 \$	0.00 \$		(9.53)
Total Long-Term Realized Gain or (Loss) (Transactions are not reported on Form 1099-B or to the IRS. Report on Form 8949, Part II with Box C checked.)	\$ 7,404.25 \$	\$ 6,907.92 \$	0.00 \$		496.33
Total Long-Term Realized Gain or (Loss)	\$ 8,755.47 \$	\$ 8,288.67 \$	0.00 \$		486.80
TOTAL REALIZED GAIN OR (LOSS)	\$ 17,492.16 \$	\$ 16,937.47 \$	0.00 \$		554.69