Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

▶ Do not enter Social Security numbers on this form as it may be made public.

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

OMB No 1545-0052

2013

Open to Public Inspection

For calendar year 2013 or tax year beginning , 2013, and ending , 20

Name of foundation: JOHN & VELMA HALEY CHARITABLE TRUST 438586018

A Employer identification number: 26-6919906

Number and street (or P O box number if mail is not delivered to street address): 717 WEST SPRAGUE

Room/suite:

B Telephone number (see instructions): 509-353-3898

City or town, state or province, country, and ZIP or foreign postal code: SPOKANE, WA 99201

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 ▶ ☐

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

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ $ 755,791.

J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc, received (attach schedule)				
	2	Check ▶ ☐ if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	17,821.	16,861.		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	19,169.			
	b	Gross sales price for all assets on line 6a 245,376.				
	7	Capital gain net income (from Part IV, line 2)		19,169.		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)	997.	997.		
	12	**Total** Add lines 1 through 11	37,987.	37,027.		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	8,664.	8,664.		
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule) STMT 1	600.	NONE	NONE	600.
	c	Other professional fees (attach schedule) STMT 2	25.			25.
	17	Interest				
	18	Taxes (attach schedule) (see instructions) STMT 3	1,194.	84.		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)				
	24	**Total operating and administrative expenses.** Add lines 13 through 23	10,483.	8,748.	NONE	625.
	25	Contributions, gifts, grants paid	34,191.			34,191.
	26	Total expenses and disbursements Add lines 24 and 25	44,674.	8,748.	NONE	34,816.
	27	Subtract line 26 from line 12				
	a	Excess of revenue over expenses and disbursements	-6,687.			
	b	**Net investment income** (if negative, enter -0-)		28,279.		
	c	**Adjusted net income** (if negative, enter -0-)				

RECEIVED
MAY 20 2014
OGDEN, UT
E2-643
IRS-OSC

ENVELOPE POSTMARK DATE MAY 15 2014

SCANNED MAY 27 2014

16nr

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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	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			
	10 a Investments - U S and state government obligations (attach schedule)			
	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)	666,154.	659,333.	755,791.
	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)	666,154.	659,333.	755,791.
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)		NONE	
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			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ X			
	27 Capital stock, trust principal, or current funds	666,154.	659,333.	
	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)	666,154.	659,333.	
	31 Total liabilities and net assets/fund balances (see instructions)	666,154.	659,333.	

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	666,154.
2	Enter amount from Part I, line 27a	2	-6,687.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	659,467.
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 4	5	134.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	659,333.

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	PUBLICLY TRADED SECURITIES			
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	245,376.		226,207.	19,169.
b				
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) 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				19,169.
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	19,169.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8		3	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? [X] 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			
2011			
2010			
2009			
2008			

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 2013 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)

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)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	566.
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	
3	Add lines 1 and 2	3	566.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	NONE
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	566.
6	Credits/Payments		
a	2013 estimated tax payments and 2012 overpayment credited to 2013 — 6a: 700.		
b	Exempt foreign organizations - tax withheld at source — 6b: NONE		
c	Tax paid with application for extension of time to file (Form 8868) — 6c: NONE		
d	Backup withholding erroneously withheld — 6d:		
7	Total credits and payments Add lines 6a through 6d	7	700.
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	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	134.
11	Enter the amount of line 10 to be **Credited to 2014 estimated tax** ▶ 134. **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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation ▶ $ ______ (2) On foundation managers ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS?	2		X
	If "Yes," attach a detailed description of the activities			
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*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5		X
	If "Yes," attach the statement required by General Instruction T			
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?	6	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*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ WA			
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.*	8b	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.*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

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

			Yes	No
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 ▶ WASHINGTON TR. BANK Telephone no ▶ (509)353-3898

Located at ▶ PO BOX 2127, SPOKANE, WA ZIP+4 ▶ 99210-2127

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

			Yes	No
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?	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		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?	☐	☒			
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐	☒			
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐	☒			
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒	☐			
(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)?	☐	☒			
(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)	☐	☒			
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)?			1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐					
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?			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? 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)			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?	☐	☒			
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)*			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)*

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

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
WASHINGTON TRUST BANK PRIVATE BANKING - PO BOX 2127, SPOKANE, WA 99210-212	TRUSTEE 1	8,664.	-0-	-0-

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

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

Total number of other employees paid over $50,000 ▶ NONE

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** *(continued)*

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

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

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

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 NONE	
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 NONE	
2	
All other program-related investments See instructions 3 NONE	
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	728,040.
b	Average of monthly cash balances	1b	13,442.
c	Fair market value of all other assets (see instructions)	1c	NONE
d	**Total** (add lines 1a, b, and c)	1d	741,482.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d	3	741,482.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	11,122.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	730,360.
6	**Minimum investment return.** Enter 5% of line 5	6	36,518.

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	36,518.
2a	Tax on investment income for 2013 from Part VI, line 5 — 2a: 566.		
b	Income tax for 2013. (This does not include the tax from Part VI.) — 2b		
c	Add lines 2a and 2b	2c	566.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	35,952.
4	Recoveries of amounts treated as qualifying distributions	4	NONE
5	Add lines 3 and 4	5	35,952.
6	Deduction from distributable amount (see instructions)	6	NONE
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	35,952.

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	34,816.
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	34,816.
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	N/A
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	34,816.

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				35,952.
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only			34,191.	
b Total for prior years 20 11 ,20 ,20		NONE		
3 Excess distributions carryover, if any, to 2013				
a From 2008 ... NONE				
b From 2009 ... NONE				
c From 2010 ... NONE				
d From 2011 ... NONE				
e From 2012 ... NONE				
f Total of lines 3a through e	NONE			
4 Qualifying distributions for 2013 from Part XII, line 4· ► $ 34,816.				
a Applied to 2012, but not more than line 2a			34,191.	
b Applied to undistributed income of prior years (Election required - see instructions)		NONE		
c Treated as distributions out of corpus (Election required - see instructions)	NONE			
d Applied to 2013 distributable amount				625.
e Remaining amount distributed out of corpus	NONE			
5 Excess distributions carryover applied to 2013 *(If an amount appears in column (d), the same amount must be shown in column (a).)*	NONE			NONE
6 **Enter the net total of each column as indicated below:**				
a Corpus. Add lines 3f, 4c, and 4e Subtract line 5	NONE			
b Prior years' undistributed income Subtract line 4b from line 2b		NONE		
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		NONE		
d Subtract line 6c from line 6b Taxable amount - see instructions		NONE		
e Undistributed income for 2012 Subtract line 4a from line 2a. Taxable amount - see instructions				
f Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014				35,327.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	NONE			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions)	NONE			
9 **Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a	NONE			
10 Analysis of line 9				
a Excess from 2009 ... NONE				
b Excess from 2010 ... NONE				
c Excess from 2011 ... NONE				
d Excess from 2012 ... NONE				
e Excess from 2013 ... NONE				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) NOT APPLICABLE

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2013, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section [ ] 4942(j)(3) or [ ] 4942(j)(5)

	Tax year (a) 2013	Prior 3 years (b) 2012	(c) 2011	(d) 2010	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test- enter 2/3 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)(iii)					
(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).)

N/A

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.

N/A

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

Check here ▶ [X] 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 address 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 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*				
LILAC SERVICES FOR THE BLIND 1212 N HOWARD ST SPOKANE WA 99201	NONE	PC	PROGRAM SUPPORT	4,191.
MOODY BIBLE INSTITUTE 820 N LA SALLE DR CHICAGO IL 60610	NONE	PC	SUPPORT OF CHARITABLE ACTIVITIES	10,000.
THE MOODY CHURCH 1635 N LA SALLE DR CHICAGO IL 60614	NONE	PC	PROGRAM SUPPORT	10,000.
OPEN BIBLE CHURCH OF THE VALLEY 905 N MCDONALD RD SPOKANE VALLEY WA 99216	NONE	PC	SUPPORT OF CHARITABLE ACTIVITIES	10,000.
Total . . . . ▶ 3a				34,191.
***b** Approved for future payment*				
NONE				
Total . . . . ▶ 3b				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (See instructions.)
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			14	17,821.	
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			18	19,169.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b OTHER REVENUE			1	997.	
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				37,987.	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 37,987.

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

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

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). (See instructions.)
	NOT APPLICABLE

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)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting 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.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

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

[signature] 05/09/2014

Signature of officer or trustee — Date — Title

AUTHORIZED OFFICER

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
WESLEY HIRSCHBERG	[signature]	05/09/2014		P00162244

Firm's name ▶ ERNST & YOUNG U.S. LLP — Firm's EIN ▶ 34-6565596

Firm's address ▶ 155 N WACKER DRIVE CHICAGO, IL 60606 — Phone no 312-879-2000

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
TAX PREPARATION FEE	600.			600.
TOTALS	600.	NONE	NONE	600.

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	CHARITABLE PURPOSES
STATE OF WASHINGTON FILING FEE	25.	25.
TOTALS	25.	25.

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FEDERAL TAX - PRIOR YR	410.	
FEDERAL ESTIMATES	700.	
FOREIGN TAXES ON QUALIFIED FOR	53.	53.
FOREIGN TAXES ON NONQUALIFIED	31.	31.
TOTALS	1,194.	84.

FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES

DESCRIPTION	AMOUNT
ACCRUED INTEREST PAID	10.
OID INCOME ON USGI	47.
ROUNDING	77.
TOTAL	134.

ASSET ALLOCATION
ASSET VALUATION

ACCOUNT NO 43-8586-01-8

WASHINGTON TRUST BANK, TRUSTEE
JOHN B HALEY & VELMA ALICE HALEY
CHARITABLE TRUST

	MARKET VALUE	PERCENT MARKET
CASH & EQUIV	27,814 18	3 68
FIXED INCOME	358,551 93	47 44
EQUITIES	369,425 30	48.88
TOTAL PORTFOLIO	755,791 41	100.00

ASSET POSITION AS OF 12/31/13

ACCOUNT NO 43-8586-01-8

WASHINGTON TRUST BANK, TRUSTEE
JOHN B HALEY & VELMA ALICE HALEY
CHARITABLE TRUST

ASSET DESCRIPTION	UNITS	MARKET VALUE COST	EST ANNL INCOME	CURRENT YIELD
CASH EQUIVALENTS				
BMO PRIME MONEY MARKET FUND CL I # 090	27,814.180	27,814.18 27,814 18	2	01
TOTAL CASH EQUIVALENTS		27,814.18 27,814 18	2	0 01
EQUITIES				
INVESCO LTD	117	4,258 80 2,855 08	105	2.47
AQR MANAGED FUTURES STRATEGY CL I #15213	1,649 868	17,472 10 16,766 70		
ABBVIE INC COM	68	3,591 08 2,441 72	108	3 03
AMERICAN TOWER CORPORATION	21	1,676.22 781.39	24	1 45
APPLE INC COM	5	2,805.10 940 35	61	2 17
APPLIED MATERIALS INC COM	199	3,518 32 2,713 62	79	2 26
ARTISAN INTERNATIONAL VALUE FUND CLASS I #1672	297.573	10,968 54 7,064 32	187	1 71
BED BATH & BEYOND INC COM	46	3,693 80 1,663 95		
CSX CORP COM	134	3,855 18 1,918 67	80	2 09
CATERPILLAR INC COM	34	3,087 54 3,013 20	81	2 64
CHEVRON CORPORATION	29	3,622 39 2,115 21	116	3 20

ASSET POSITION AS OF 12/31/13

ACCOUNT NO 43-8586-01-8

WASHINGTON TRUST BANK, TRUSTEE
JOHN B HALEY & VELMA ALICE HALEY
CHARITABLE TRUST

ASSET DESCRIPTION	UNITS	MARKET VALUE COST	EST ANNL INCOME	CURRENT YIELD
CISCO SYS INC COM	113	2,534 59 2,127 71	76	3 03
COMERICA INC COM	89	4,231 06 3,207 80	60	1 43
COSTCO WHSL CORP NEW COM	28	3,332 56 1,637 32	34	1 04
DISNEY WALT CO COM	44	3,361 60 1,432 65	37	1.13
E M C CORP MASS COM	104	2,615 60 1,731 28	41	1 59
EASTMAN CHEM CO COM	17	1,371 90 1,337.49	23	1 73
EXPRESS SCRIPTS HLDG CO COM	51	3,582.24 2,519 03		
NATIXIS GATEWAY FUND CLASS Y #1986	791 203	22,936 97 18,791 08	355	1.55
GOLDMAN SACHS GROUP INC COM	24	4,254 24 3,777 43	52	1.24
GRAINGER W W INC COM	13	3,320 46 2,731.51	48	1.46
HARDING LOEVNER INTERNATIONAL EQUITY PORTFOLIO FUND #201	537 039	9,682 81 8,153 92		
HESS CORP COM	50	4,150 00 2,617 69	50	1 20
HOME DEPOT INC COM	42	3,458 28 1,192 31	65	1 89
INTERNATIONAL BUSINESS MACHS CORP COM	13	2,438 41 1,604 87	49	2 03

ASSET POSITION AS OF 12/31/13

ACCOUNT NO 43-8586-01-8

WASHINGTON TRUST BANK, TRUSTEE
JOHN B HALEY & VELMA ALICE HALEY
CHARITABLE TRUST

ASSET DESCRIPTION	UNITS	MARKET VALUE COST	EST ANNL INCOME	CURRENT YIELD
J P MORGAN CHASE & CO COM	75	4,386 00 3,194 70	114	2 60
JACOBS ENGR GROUP INC COM	53	3,338 47 2,176.33		
JPMORGAN RESEARCH MARKET NEUTRAL FUND INST #1781	2,099 407	32,309.87 31,848.00		
MEAD JOHNSON NUTRITION CO COM	51	4,271 76 3,847 31	69	1 62
MEDTRONIC INC COM	63	3,615 57 2,813 36	70	1 95
MICROSOFT CORP COM	77	2,880 57 1,949 69	86	2.99
MUNDER MIDCAP CORE GROWTH FUND CLASS Y #32	436 552	18,771 74 8,902.58		
MYLAN INC COM	100	4,340.00 2,128 90		
NEXTERA ENERGY INC COM	24	2,054 88 1,223 49	63	3.08
NUVEEN REAL ESTATE SECURITIES FUND CLASS I #6818	840.839	16,564.53 17,563.65	470	2 84
NUVEEN GLOBAL INFRASTRUCTURE CLASS I #6726	1,879.367	19,451 45 17,540 02	357	1.84
ORACLE CORP COM	85	3,252 10 1,835 72	40	1.25
PNC FINL SVCS GROUP INC COM	52	4,034 16 3,187 81	91	2.27
PHILIP MORRIS INTL INC COM	48	4,182 24 4,282 47	180	4.32

ASSET POSITION AS OF 12/31/13

ACCOUNT NO 43-8586-01-8

WASHINGTON TRUST BANK, TRUSTEE
JOHN B HALEY & VELMA ALICE HALEY
CHARITABLE TRUST

ASSET DESCRIPTION	UNITS	MARKET VALUE COST	EST ANNL INCOME	CURRENT YIELD
PIMCO COMMODITY REALRETURN STRATEGY FUND INST #45	2,777 001	15,245.74 22,055.78	230	1 51
PIONEER NAT RES CO COM	26	4,785 82 3,601 89	2	04
PRAXAIR INC COM	21	2,730 63 1,712.26	50	1 85
PROCTER & GAMBLE CO COM	62	5,047 42 3,905 57	149	2 96
PRUDENTIAL FINL INC COM	51	4,703 22 3,194 69	108	2 30
QUALCOMM INC COM	50	3,712.50 1,965 14	70	1.89
SOUTHERN CO COM	46	1,891 06 1,468.88	93	4 94
STARBUCKS CORP COM	43	3,370 77 857.85	44	1.33
TEMPLETON INSTITUTIONAL FOREIGN SMALLER COMPANY FUND #458	1,031.779	22,657 87 17,101 64	308	1 36
UNITEDHEALTH GROUP INC COM	56	4,216 80 1,847 03	62	1 49
VALERO ENERGY CORP NEW COM	94	4,737 60 3,690 84	84	1 79
VANGUARD MID CAP VALUE INDEX FUND ADM #5835	497.560	20,549 23 14,877 05	315	1 54
VERIZON COMMUNICATIONS INC COM	39	1,916 46 1,986 02	82	4 31
VIRTUS EMERGING MARKETS OPPORTUNITY FUND CL I #1736	2,155 712	20,587 05 21,220.85	226	1 10
TOTAL EQUITIES		369,425.30 297,115 82	5,094	1 38

ASSET POSITION AS OF 12/31/13

ACCOUNT NO 43-8586-01-8

WASHINGTON TRUST BANK, TRUSTEE
JOHN B HALEY & VELMA ALICE HALEY
CHARITABLE TRUST

ASSET DESCRIPTION	UNITS	MARKET VALUE COST	EST ANNL INCOME	CURRENT YIELD
FIXED INCOME				
CISCO SYS INC SR NT 5.50% DTD 02/22/2006 DUE 02/22/2016 CALLABLE	10,000	11,001 30 11,254 20	550	5 00
EATON VANCE FLOATING RATE FUND CLASS I #924	2,730 303	25,091.48 25,173 39	916	3 65
EATON VANCE GLOBAL MACRO ABSOLUTE RETURN FUND CL I #88	2,581 172	24,314 64 25,218 19	1,001	4.12
FEDERAL FARM CR BKS CONS SYSTEMWIDE BDS 2 625% DTD 04/17/2009 DUE 04/17/2014 NON-CALLABLE	15,000	15,110 25 14,972 55	393	2.61
FEDERAL NATL MTG ASSN 1.625% DTD 10/01/2013 DUE 11/27/2018 NON-CALLABLE	10,000	9,928 30 9,929 30	162	1.64
FEDERAL HOME LN MTG CORP 2 50% DTD 04/08/2011 DUE 05/27/2016 NON-CALLABLE	10,000	10,465 90 10,263.23	250	2 39
FEDERAL HOME LN MTG CORP REFERENCE NTS 1.00% DTD 06/25/2012 DUE 07/28/2017	10,000	9,936 80 9,974 80	100	1.01
FEDERAL NATL MTG ASSN 2 375% DTD 06/14/2010 DUE 07/28/2015 NON-CALLABLE	10,000	10,320 10 10,388 66	237	2.30
GE CAP BK INC CTF DEP 1.15% DTD 08/12/2011 DUE 08/12/2014 NON-CALLABLE	15,000	15,052 95 15,064 50	172	1 15
IVY HIGH INCOME FUND CLASS I #475	4,127 947	35,665 46 35,154 29	2,014	5 65
ORACLE CORP SR NT 1.20% DTD 10/25/2012 DUE 10/15/2017 CALLABLE	15,000	14,760 90 14,974 05	180	1 22

ACCOUNT NO 43-8586-01-8

WASHINGTON TRUST BANK, TRUSTEE
JOHN B HALEY & VELMA ALICE HALEY
CHARITABLE TRUST

ASSET DESCRIPTION	UNITS	MARKET VALUE COST	EST ANNL INCOME	CURRENT YIELD
PAYDEN EMERGING MARKETS LOCAL BOND FUND CLASS IV #774	5,175.763	45,909 02 54,707 82	2,582	5 63
PROCTER & GAMBLE CO 1 80% DTD 11/18/2010 DUE 11/15/2015 CALLABLE	15,000	15,346.65 14,877 30	270	1 76
U S BANCORP MTNS BK ENT FR 4 20% DTD 05/14/2009 DUE 05/15/2014 NON-CALLABLE	20,000	20,281 80 20,894 00	840	4 14
U S A SVGS SER EE ISSUED 10/01/86 DUE 10/01/2016	9,000	18,432 00 4,500.00	NOT AVAIL	
U S A SVGS SER EE ISSUED 04/01/91 DUE 04/01/2021	20,000	30,816.00 10,000.00	NOT AVAIL	
US TREASURY NOTE 1 25% DTD 08/31/2010 DUE 08/31/2015	15,000	15,240 30 15,194 15	187	1 23
US TREASURY NOTE 0 125% DTD 04/15/2012 DUE 04/15/2017 TREASURY INFLATION PROTECTION SECURITY	10,283.300	10,575 76 11,022 60	12	12
US TREASURY NOTE 0 375% DTD 02/15/2013 DUE 02/15/2016	10,000	9,992 20 9,991 06	37	38
US TREASURY NOTE 0 125% DTD 04/15/2013 DUE 04/15/2018 TREASURY INFLATION PROTECTION SECURITY	10,104.100	10,310 12 10,848 49	12	.12
TOTAL FIXED INCOME		358,551 93 334,402 58	9,915	2 77
CASH				
PRINCIPAL CASH				
INCOME CASH				
TOTAL CASH		00 00	0	0 00
TOTAL MARKET VALUE		755,791 41 659,332 58	15,011	1 99