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: INDEPENDENCE BLUE CROSS FOUNDATION

A Employer identification number: 36-4685801

Number and street (or P O. box number if mail is not delivered to street address): 1901 MARKET STREET

Room/suite:

B Telephone number (see instructions): 215-241-2543

City or town, state or province, country, and ZIP or foreign postal code: PHILADELPHIA, PA 19103

C If exemption application is pending, check here ▶ ☐

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ 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)* ▶ $ 59,118,296

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

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

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

	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)	0			
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch. B				
	3	Interest on savings and temporary cash investments	18,148	18,148		
	4	Dividends and interest from securities	1,028,123	1,028,123		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10				
	b	Gross sales price for all assets on line 6a				
	7	Capital gain net income (from Part IV, line 2)		2,785,066		
	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)	0			
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	1,046,271	3,831,337	0	
Operating and Administrative Expenses	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)	10,608			10,608
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	70,951			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	365,948	365,948		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	447,507	365,948	0	10,608
	25	Contributions, gifts, grants paid	3,862,774			3,862,774
	26	**Total expenses and disbursements.** Add lines 24 and 25	4,310,281	365,948	0	3,873,382
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	(3,264,010)			
	b	**Net investment income** (if negative, enter -0-)		3,465,389		
	c	**Adjusted net income** (if negative, enter -0-)			0	

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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			
2	Savings and temporary cash investments	1,703,333	1,678,311	1,678,311
3	Accounts receivable ▶ 103,063			
	Less: allowance for doubtful accounts ▶	103,063	143,993	143,993
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)			
b	Investments—corporate stock (attach schedule)	26,079,674	32,069,486	32,069,486
c	Investments—corporate bonds (attach schedule)	29,433,666	25,226,506	25,226,506
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)	57,319,736	59,118,296	59,118,296
Liabilities 17	Accounts payable and accrued expenses		9,951	
18	Grants payable	1,743,502	1,204,000	
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)	1,743,502	1,213,951	
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.			
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	55,576,234	57,904,345	
30	**Total net assets or fund balances** (see instructions)	55,576,234	57,904,345	
31	**Total liabilities and net assets/fund balances** (see instructions)	57,319,736	59,118,296	

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	55,576,234
2	Enter amount from Part I, line 27a	2	(3,264,010)
3	Other increases not included in line 2 (itemize) ▶ Net realized & unrealized gains on investments	3	5,592,119
4	Add lines 1, 2, and 3	4	57,904,343
5	Decreases not included in line 2 (itemize) ▶ Rounding	5	(2)
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	57,904,345

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	P	VARIOUS	VARIOUS
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	46,477,057	0	43,691,991	2,785,066
b				
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F M V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col (j), if any	(l) Gains (Col. (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				
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	2,785,066
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8	3	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☐ No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2012	5,153,399	44,066,828	0.1169
2011	3,284,458	12,430,997	0.2642
2010	0	82,192	0.0000
2009			
2008			

2	**Total** of line 1, column (d)	2	0.3811
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 3.027397 years.	3	.125884
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	57,594,459
5	Multiply line 4 by line 3	5	7,250,221
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	34,654
7	Add lines 5 and 6	7	7,284,875
8	Enter qualifying distributions from Part XII, line 4	8	3,873,382

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	69,308
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	69,308
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	69,308
6	Credits/Payments:		
a	2013 estimated tax payments and 2012 overpayment credited to 2013 — 6a — 61,728		
b	Exempt foreign organizations—tax withheld at source — 6b		
c	Tax paid with application for extension of time to file (Form 8868) — 6c — 8,000		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments. Add lines 6a through 6d	7	69,728
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	420
11	Enter the amount of line 10 to be: **Credited to 2014 estimated tax** ▶ 420 **Refunded** ▶	11	0

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	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? *If "Yes," attach a detailed description of the activities.*	2		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*	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? *If "Yes," attach the statement required by General Instruction T.*	5		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?	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) ▶ PENNSYLVANIA			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? 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)*

			Line	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 ▶ WWW.IBXFOUNDATION.ORG

14 The books are in care of ▶ THOMAS J. HELMS Telephone no. ▶ 215-241-2543

Located at ▶ 1901 MARKET STREET, PHILADELPHIA, PA ZIP+4 ▶ 19103

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 |

		Line	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.

			Line	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)?		1b		
	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?	☐ Yes ☒ No			
	If "Yes," list the years ▶ 20___ , 20___ , 20___ , 20___				
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. ▶ 20___ , 20___ , 20___ , 20___				
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.)*		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)? (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** No: 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
SEE ATTACHED				

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

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

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
NONE		
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 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 ▶	0

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	56,168,257
b	Average of monthly cash balances	1b	2,303,275
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	58,471,532
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	58,471,532
4	Cash deemed held for charitable activities. Enter 1 ½ % of line 3 (for greater amount, see instructions)	4	877,073
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	57,594,459
6	**Minimum investment return.** Enter 5% of line 5	6	2,879,723

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	2,879,723
2a	Tax on investment income for 2013 from Part VI, line 5	2a	69,308		
b	Income tax for 2013. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	69,308
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	2,810,415
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	2,810,415
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	2,810,415

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	3,873,382
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	3,873,382
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	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	3,873,382

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				2,810,415
2	Undistributed income, if any, as of the end of 2013:				
a	Enter amount for 2012 only				
b	Total for prior years: 20___,20___,20___				
3	Excess distributions carryover, if any, to 2013:				
a	From 2008				
b	From 2009				
c	From 2010				
d	From 2011				
e	From 2012				
f	**Total** of lines 3a through e	0			
4	Qualifying distributions for 2013 from Part XII, line 4: ▶ $ 3,873,382				
a	Applied to 2012, 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 2013 distributable amount				2,810,415
e	Remaining amount distributed out of corpus	1,062,967			
5	Excess distributions carryover applied to 2013 *(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	1,062,967			
b	Prior years' undistributed income. Subtract line 4b from line 2b		0		
c	Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d	Subtract line 6c from line 6b. Taxable amount—see instructions		0		
e	Undistributed income for 2012. Subtract line 4a from line 2a. Taxable amount—see instructions			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) (see instructions)				
8	Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions)				
9	**Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a	1,062,967			
10	Analysis of line 9:				
a	Excess from 2009				
b	Excess from 2010				
c	Excess from 2011 — 2,663,038				
d	Excess from 2012 — 3,015,509				
e	Excess from 2013 — 1,062,967				

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 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	Prior 3 years			
	(a) 2013	(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					0
b 85% of line 2a	0	0	0	0	0
c Qualifying distributions from Part XII, line 4 for each year listed					0
d Amounts included in line 2c not used directly for active conduct of exempt activities					0
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	0	0	0	0	0
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:					
(1) Value of all assets					0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					0
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)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					0

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.

NONE

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 address of the person to whom applications should be addressed:

SEE ATTACHMENT

b The form in which applications should be submitted and information and materials they should include:

SEE ATTACHMENT

c Any submission deadlines:

SEE ATTACHMENT

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

SEE ATTACHMENT

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*				
SEE ATTACHMENT				
Total . . . . ▶ **3a**				0
b *Approved for future payment*				
Total . . . . ▶ **3b**				0

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			14	18,148	
4 Dividends and interest from securities			14	1,028,123	
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)		0		1,046,271	0

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 1,046,271

(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)

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] | 11/14/14 | ▶ PRESIDENT

Signature of officer or trustee | Date | Title

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
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Independence Blue Cross Foundation
EIN 36-4685801
December 31, 2013

Part I, Analysis of Revenue And Expenses
Line 16c, Other Professional Fees

Audit Expense	$10,608
	$10,608

Part I, Analysis of Revenue And Expenses
Line 18, Taxes

Excise tax	$70,951
	$70,951

Part I, Analysis of Revenue And Expenses
Line 23, Other Expenses

Bank/Investment Expense	365,948
	$365,948

INDEPENDENCE BLUE CROSS FOUNDATION
SCHEDULE OF GAINS AND LOSSES
FORM 990-PF, PART IV
DECEMBER 31, 2013

(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold	(e) Gross Sales Price	(f) Depreciation allowed	(g) Cost Basis	(h) Gain/(Loss)
UNITED STATES TREAS NTS	P	8/1/2012	1/15/2013	59 515	0	59,718	(203)
UNITED STATES TREAS NTS	P	8/29/2012	1/15/2013	998,281	0	997,098	1,183
UNITED STATES TREAS NTS	P	8/29/2012	2/26/2013	500,215	0	499,852	363
UNITED STATES TREAS NTS	P	8/29/2012	4/25/2013	2,001,797	0	1,999,472	2,325
UNITED STATES TREAS NTS	P	8/29/2012	1/15/2013	2,727 764	0	2,727,246	518
UNITED STATES TREAS NTS	P	8/29/2012	4/16/2013	371,411	0	369,884	1,527
UNITED STATES TREAS NTS	P	12/27/2012	1/15/2013	298,945	0	298,968	(23)
UNITED STATES TREAS NTS	P	12/27/2012	9/24/2013	697 402	0	698,164	(762)
UNITED STATES TREAS NTS	P	12/27/2012	9/24/2013	762,031	0	798,735	(36,704)
SHORT-TERM CAPITAL GAINS & LOSSES-US TREASURY				8,417,360	0	8,449,138	(31,778)
DRESSER RAND GROUP INC	P	2/1/2012	1/18/2013	249,512	0	226,366	23,146
WESTAR ENERGY INC COM	P	2/13/2012	1/18/2013	237,586	0	229,826	7,760
ACCENTURE PLC IRELAND	P	2/15/2012	2/28/2013	22,536	0	17,470	5,065
TIMKEN CO COM	P	2/17/2012	2/14/2013	38,860	0	37,387	1,473
TIMKEN CO COM	P	2/21/2012	2/27/2013	97,143	0	96,751	391
INTEL CORP	P	3/9/2012	2/27/2013	202,290	0	271,385	(69 095)
TIMKEN CO COM	P	3/15/2012	2/27/2013	21,587	0	21,502	85
TIMKEN CO COM	P	3/15/2012	2/28/2013	42,653	0	43,004	(351)
CARDINAL HEALTH INC	P	3/16/2012	2/27/2013	26,078	0	23,983	2,095
INTEL CORP	P	3/16/2012	2/27/2013	60,687	0	83,789	(23,101)
B B&T CORP	P	4/2/2012	2/22/2013	86,453	0	89,642	(3,189)
B B&T CORP	P	4/13/2012	2/22/2013	118,303	0	119,728	(1,425)
CARDINAL HEALTH INC	P	4/13/2012	2/27/2013	45,353	0	40,694	4,659
ACCENTURE PLC IRELAND	P	4/16/2012	2/28/2013	31,925	0	26,402	5,523
B B&T CORP	P	4/16/2012	2/22/2013	66,735	0	67,495	(760)
INTEL CORP	P	4/16/2012	2/27/2013	53,607	0	74,932	(21,325)
MYLAN LABS INC	P	4/16/2012	4/3/2013	45,177	0	34,732	10,445
NIKE INC CL B	P	4/18/2012	2/22/2013	40,791	0	41,415	(624)
TIMKEN CO COM	P	4/18/2012	2/28/2013	42,653	0	40,433	2,220
B B&T CORP	P	4/24/2012	2/22/2013	50,051	0	52,618	(2,566)
INTEL CORP	P	4/27/2012	2/27/2013	9,609	0	13,561	(3,952)
TIMKEN CO COM	P	4/27/2012	2/28/2013	26,658	0	28,470	(1,812)
CARDINAL HEALTH INC	P	5/8/2012	2/27/2013	85,037	0	79,729	5,309
COVIDIEN PLC	P	5/14/2012	2/27/2013	21,838	0	19,346	2,493
COVIDIEN PLC	P	5/14/2012	2/28/2013	21,842	0	19,346	2,497
WELLS FARGO & CO	P	5/15/2012	2/27/2013	155,323	0	142,903	12,421
COVIDIEN PLC	P	5/18/2012	2/28/2013	43,684	0	37,342	6,343
WELLS FARGO & CO	P	5/22/2012	2/27/2013	142,010	0	129,220	12,790
UNION PAC CORP	P	6/21/2012	6/20/2013	109,398	0	81,108	28,290
WELLS FARGO & CO	P	6/22/2012	2/27/2013	70,117	0	64,711	5,406
AMGEN INC	P	6/26/2012	2/26/2013	240,954	0	204,568	36,385
AMGEN INC	P	6/27/2012	2/26/2013	147,954	0	126,715	21,239
ACCENTURE PLC IRELAND	P	7/3/2012	2/28/2013	75,119	0	61,013	14,106
B B&T CORP	P	7/11/2012	2/22/2013	39,434	0	40,198	(763)
AMGEN INC	P	7/13/2012	2/26/2013	42,273	0	38,425	3,848
COMCAST CORP CL A	P	7/16/2012	6/5/2013	44,665	0	34,899	9,766
PEPSICO	P	7/16/2012	2/27/2013	64,070	0	59,818	4,252
WELLS FARGO & CO	P	7/16/2012	2/27/2013	49,704	0	48,074	1,630
TIMKEN CO COM	P	7/30/2012	2/28/2013	58,648	0	41,725	16,923
TIMKEN CO COM	P	7/30/2012	3/5/2013	65,381	0	45,518	19,863
TE CONNECTIVITY LTD	P	8/9/2012	2/27/2013	101,233	0	86,484	14,748
INTEL CORP	P	8/23/2012	2/27/2013	42,481	0	52,868	(10,387)
NIKE INC CL B	P	9/13/2012	2/22/2013	67,985	0	61,876	6,109
DICKS SPORTING GOODS	P	9/14/2012	2/21/2013	121,205	0	131,347	(10,142)
DICKS SPORTING GOODS	P	9/17/2012	2/21/2013	19,150	0	20,660	(1,509)
DICKS SPORTING GOODS	P	9/17/2012	2/22/2013	34,272	0	36,874	(2,602)
DICKS SPORTING GOODS	P	9/18/2012	2/22/2013	68,057	0	73,147	(5,089)
HSBC BK USA NA	P	9/19/2012	3/19/2013	156,035	0	155,072	963
DICKS SPORTING GOODS	P	9/21/2012	2/22/2013	89,933	0	99,226	(9,294)
TE CONNECTIVITY LTD	P	9/25/2012	2/27/2013	93,052	0	78,649	14,403
TE CONNECTIVITY LTD	P	9/25/2012	3/1/2013	269,642	0	235,948	33,694
DICKS SPORTING GOODS	P	10/8/2012	2/22/2013	17,014	0	18,291	(1,277)
GRAINGER W W INC	P	10/15/2012	2/22/2013	68,689	0	64,653	4,036
J P MORGAN CHASE & CO MTN	P	10/15/2012	5/13/2013	120,533	0	119,960	573
GRAINGER W W INC	P	10/16/2012	2/22/2013	80,137	0	73,020	7,117
GRAINGER W W INC	P	10/22/2012	2/22/2013	148,826	0	133,731	15,096
GRAINGER W W INC	P	11/9/2012	2/22/2013	22,896	0	19,558	3,338
TOYOTA MTR CRD CORP MTN	P	11/19/2012	8/15/2013	362,329	0	360,995	1,334
COVIDIEN PLC	P	11/28/2012	2/28/2013	355,716	0	327,703	28,013
SELECT SECTOR SPDR TR	P	12/7/2012	5/6/2013	75,481	0	69,608	5,872
SELECT SECTOR SPDR TR	P	12/7/2012	5/29/2013	130,352	0	114,229	16,123
SELECT SECTOR SPDR TR	P	12/7/2012	9/25/2013	103,437	0	87,457	15,981
SELECT SECTOR SPDR TR	P	12/10/2012	4/12/2013	122,007	0	107,531	14 476
SELECT SECTOR SPDR TR	P	12/11/2012	4/12/2013	270,418	0	239,274	31,145
DR PEPPER SNAPPLE GROUP	P	12/14/2012	2/20/2013	30,783	0	32,134	(1,351)
DR PEPPER SNAPPLE GROUP	P	12/14/2012	2/20/2013	84,484	0	88,144	(3 660)

INDEPENDENCE BLUE CROSS FOUNDATION
SCHEDULE OF GAINS AND LOSSES
FORM 990-PF, PART IV
DECEMBER 31, 2013

(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold	(e) Gross Sales Price	(f) Depreciation allowed	(g) Cost Basis	(h) Gain/(Loss)
DR PEPPER SNAPPLE GROUP	P	12/14/2012	2/21/2013	90,179	0	93,946	(3,767)
DR PEPPER SNAPPLE GROUP	P	12/14/2012	2/21/2013	302,024	0	314,642	(12,617)
E M C CORP MASS	P	12/14/2012	4/24/2013	327,548	0	375,744	(48,196)
GENERAL MLS INC	P	12/14/2012	1/18/2013	81,638	0	82,900	(1,262)
GENERAL MLS INC	P	12/14/2012	1/18/2013	387,781	0	393,775	(5,994)
GENERAL MLS INC	P	12/14/2012	1/18/2013	210,218	0	213,468	(3,249)
GOOGLE INC	P	12/14/2012	1/25/2013	440,101	0	438,727	1,374
MACYS INC	P	12/14/2012	1/11/2013	82,912	0	84,706	(1,794)
MACYS INC	P	12/14/2012	2/21/2013	250,349	0	240,793	9,557
MACYS INC	P	12/14/2012	2/21/2013	160,303	0	154,184	6,119
NV ENERGY INC	P	12/14/2012	2/27/2013	224,223	0	206 568	17,655
NV ENERGY INC	P	12/14/2012	2/28/2013	194,758	0	180,747	14,011
NV ENERGY INC	P	12/14/2012	3/1/2013	27,647	0	25,821	1,826
QUALCOMM INC	P	12/14/2012	9/25/2013	69,739	0	59,830	9,909
QUALCOMM INC	P	12/14/2012	11/13/2013	85,468	0	76,283	9,185
QUALCOMM INC	P	12/14/2012	11/13/2013	180,991	0	161,541	19,450
QUALCOMM INC	P	12/14/2012	11/13/2013	378,739	0	338,040	40,700
US BANCORP COM	P	12/14/2012	2/28/2013	178,967	0	166,420	12,547
US BANCORP COM	P	12/14/2012	2/28/2013	314,037	0	292,020	22,017
DISCOVER FINL SVCS	P	12/20/2012	10/28/2013	80,836	0	60,233	20,603
EASTMAN CHEM CO	P	12/20/2012	5/6/2013	83,224	0	87,142	(3,918)
EATON CORP PLC	P	12/20/2012	8/13/2013	178,659	0	149,844	28,815
NIKE INC CL B	P	12/20/2012	2/22/2013	130,530	0	117,230	13,300
E M C CORP MASS	P	1/2/2013	4/24/2013	167,006	0	191 575	(24,569)
MYLAN LABS INC	P	1/2/2013	4/3/2013	200,788	0	192,565	8,223
SELECT SECTOR SPDR TR	P	1/2/2013	9/25/2013	23,221	0	19 838	3,383
SELECT SECTOR SPDR TR	P	1/2/2013	11/4/2013	306,176	0	254,282	51,894
AMGEN INC	P	1/3/2013	2/26/2013	124,704	0	131,042	(6,338)
COMCAST CORP CL A	P	1/3/2013	6/5/2013	181,706	0	171,058	10,648
DISCOVER FINL SVCS	P	1/3/2013	10/28/2013	125,744	0	97,506	28,239
EASTMAN CHEM CO	P	1/3/2013	5/6/2013	35,210	0	38,354	(3,144)
SELECT SECTOR SPDR TR	P	1/3/2013	11/4/2013	330,062	0	278,464	51,598
ABBOTT LABS	P	1/7/2013	1/30/2013	332,447	0	383 756	(51,310)
ABBVIE INC	P	1/7/2013	4/30/2013	92,217	0	57,837	34,380
ABBVIE INC	P	1/7/2013	6/20/2013	49,438	0	31,673	17,765
ABBVIE INC	P	1/7/2013	9/25/2013	52,241	0	30,296	21,945
EATON CORP PLC	P	1/7/2013	8/13/2013	159,169	0	136,513	22,656
HONEYWELL INTL INC	P	1/7/2013	6/20/2013	59,511	0	49,910	9,602
HONEYWELL INTL INC	P	1/7/2013	9/25/2013	60,374	0	46,582	13,792
HONEYWELL INTL INC	P	1/7/2013	12/9/2013	56,394	0	43,255	13,139
SELECT SECTOR SPDR TR	P	1/7/2013	4/12/2013	153,874	0	143,814	10,061
SELECT SECTOR SPDR TR	P	1/7/2013	9/25/2013	161,631	0	134,453	27,178
SELECT SECTOR SPDR TR	P	1/7/2013	9/30/2013	32,145	0	27,231	4,914
DISCOVER FINL SVCS	P	1/8/2013	10/28/2013	30,795	0	23,817	6,977
TIMKEN CO COM	P	1/8/2013	3/5/2013	108,969	0	96,506	12,464
CITIGROUP INC	P	2/12/2013	5/15/2013	411,760	0	409,655	2,105
SELECT SECTOR SPDR TR	P	2/14/2013	3/14/2013	44,470	0	43,228	1,241
CVS CORP	P	2/15/2013	4/4/2013	299,407	0	282,670	16,737
HARLEY DAVIDSON	P	2/15/2013	8/23/2013	330,600	0	298,340	32,260
HARLEY DAVIDSON	P	2/15/2013	8/27/2013	246,917	0	222,760	24,157
SELECT SECTOR SPDR TR	P	2/15/2013	3/14/2013	122,775	0	119,597	3,177
SELECT SECTOR SPDR TR	P	2/15/2013	5/3/2013	198,886	0	183,634	15,252
SELECT SECTOR SPDR TR	P	2/15/2013	5/8/2013	184 741	0	168,567	16,174
BLACKROCK INC	P	2/19/2013	5/23/2013	289,993	0	243,601	46,392
BLACKROCK INC	P	2/19/2013	5/24/2013	319,718	0	267,961	51,757
ECOLAB INC	P	2/19/2013	9/25/2013	59,273	0	45,401	13,873
HOME DEPOT INC	P	2/19/2013	3/5/2013	68,548	0	67,482	1,067
HOME DEPOT INC	P	2/19/2013	3/18/2013	112,681	0	107,971	4,711
HOME DEPOT INC	P	2/19/2013	6/24/2013	69,218	0	60,733	8,484
HOME DEPOT INC	P	2/19/2013	9/25/2013	54,568	0	47,237	7,331
HOME DEPOT INC	P	2/19/2013	12/2/2013	382,363	0	320,200	62,162
SELECT SECTOR SPDR TR	P	2/19/2013	3/8/2013	194,809	0	191,738	3,071
CVS CORP	P	2/20/2013	4/4/2013	35,080	0	33,539	1,541
CVS CORP	P	2/20/2013	4/5/2013	136,111	0	128,956	7,155
HOME DEPOT INC	P	2/20/2013	12/2/2013	302,586	0	252,623	49,963
CVS CORP	P	2/21/2013	4/5/2013	172,608	0	162,499	10,109
KRAFT FOODS INC	P	2/21/2013	11/18/2013	426,520	0	427,292	(772)
CVS CORP	P	2/22/2013	4/5/2013	61,744	0	57,839	3,905
SELECT SECTOR SPDR TR	P	2/22/2013	9/30/2013	278,257	0	244,176	34,081
SELECT SECTOR SPDR TR	P	2/22/2013	10/8/2013	188,167	0	167,044	21,123
SELECT SECTOR SPDR TR	P	2/22/2013	4/24/2013	196,498	0	179,861	16,637
SELECT SECTOR SPDR TR	P	2/22/2013	4/26/2013	202,318	0	182,028	20,290
SELECT SECTOR SPDR TR	P	2/22/2013	5/9/2013	197,205	0	179,881	17,344
SELECT SECTOR SPDR TR	P	2/22/2013	6/24/2013	61,074	0	54,175	6,899
SELECT SECTOR SPDR TR	P	2/22/2013	7/2/2013	108,291	0	97,515	10,776
SELECT SECTOR SPDR TR	P	2/22/2013	7/24/2013	95,625	0	82,346	13,279
SELECT SECTOR SPDR TR	P	2/22/2013	9/25/2013	10,334	0	8,668	1,666
SELECT SECTOR SPDR TR	P	2/22/2013	3/14/2013	203,349	0	198,774	4,575
SELECT SECTOR SPDR TR	P	2/22/2013	4/9/2013	145,208	0	143,354	1,854
SELECT SECTOR SPDR TR	P	2/22/2013	5/14/2013	218,060	0	204,686	13 374

INDEPENDENCE BLUE CROSS FOUNDATION
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(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold	(e) Gross Sales Price	(f) Depreciation allowed	(g) Cost Basis	(h) Gain/(Loss)
SELECT SECTOR SPDR TR	P	2/22/2013	5/8/2013	216,735	0	200,629	16,106
SELECT SECTOR SPDR TR	P	2/22/2013	5/29/2013	200,164	0	186,298	13,866
SELECT SECTOR SPDR TR	P	2/22/2013	6/13/2013	106,823	0	100,314	6,509
UTILITIES SELECT SECTOR S P D R	P	2/22/2013	3/19/2013	174,624	0	169,504	5,120
UTILITIES SELECT SECTOR S P D R	P	2/22/2013	5/16/2013	56,357	0	52,796	3,561
SELECT SECTOR SPDR TR	P	2/25/2013	11/4/2013	141 145	0	126,293	14,852
SELECT SECTOR SPDR TR	P	2/25/2013	5/14/2013	377,078	0	355,414	21,664
SELECT SECTOR SPDR TR	P	2/25/2013	5/22/2013	61,547	0	57,133	4,413
UTILITIES SELECT SECTOR S P D R	P	2/25/2013	5/16/2013	129,523	0	121,147	8,377
INDUSTRIAL SELECT SECT	P	2/26/2013	4/9/2013	150,745	0	147,534	3,211
INDUSTRIAL SELECT SECT	P	2/26/2013	6/20/2013	217,553	0	199,723	17,830
SELECT SECTOR SPDR TR	P	2/26/2013	9/25/2013	82,671	0	68,480	14,191
SELECT SECTOR SPDR TR	P	2/26/2013	5/22/2013	11,990	0	11,014	975
SELECT SECTOR SPDR TR	P	2/26/2013	8/29/2013	78,595	0	71,961	6,634
SELECT SECTOR SPDR TR	P	2/26/2013	9/19/2013	207,029	0	187,980	19,049
BLACKROCK INC	P	2/28/2013	5/24/2013	210,723	0	174,672	36,051
E M C CORP MASS	P	2/28/2013	4/24/2013	48,486	0	51,975	(3,489)
SELECT SECTOR SPDR TR	P	3/5/2013	9/19/2013	6,470	0	6,054	416
SELECT SECTOR SPDR TR	P	3/5/2013	9/25/2013	51,983	0	48,432	3,551
SELECT SECTOR SPDR TR	P	3/5/2013	10/29/2013	51,677	0	46,919	4,758
CISCO SYSTEMS	P	3/11/2013	9/10/2013	180,840	0	168,527	12,313
CISCO SYSTEMS	P	3/11/2013	9/11/2013	357,101	0	333,422	23,679
E M C CORP MASS	P	3/13/2013	4/24/2013	85,119	0	98,950	(13,831)
CISCO SYSTEMS	P	3/20/2013	9/11/2013	66,021	0	60,816	5,205
QUALCOMM INC	P	3/20/2013	11/13/2013	43,572	0	42,718	854
SELECT SECTOR SPDR TR	P	3/20/2013	10/29/2013	45,842	0	41,704	4,139
SELECT SECTOR SPDR TR	P	3/20/2013	11/20/2013	79,561	0	70,517	9,044
SELECT SECTOR SPDR TR	P	3/20/2013	11/26/2013	27,272	0	24,264	3,008
SELECT SECTOR SPDR TR	P	4/1/2013	6/13/2013	85,458	0	83,387	2,072
SELECT SECTOR SPDR TR	P	4/1/2013	6/24/2013	61,805	0	59,562	2,243
SELECT SECTOR SPDR TR	P	4/1/2013	8/22/2013	111,473	0	110,190	1,283
SELECT SECTOR SPDR TR	P	4/1/2013	8/29/2013	81,476	0	81,004	472
SELECT SECTOR SPDR TR	P	4/2/2013	8/29/2013	26,360	0	26,503	(143)
SELECT SECTOR SPDR TR	P	4/2/2013	9/25/2013	119,014	0	116,451	2,563
CITIGROUP INC	P	4/9/2013	9/25/2013	67,014	0	57,058	9,956
GILEAD SCIENCES INC COM	P	4/19/2013	8/9/2013	47,875	0	42,411	5,464
GILEAD SCIENCES INC COM	P	4/19/2013	9/25/2013	70,344	0	58,315	12,029
GILEAD SCIENCES INC COM	P	4/19/2013	11/7/2013	59,478	0	45,061	14,416
WELLPOINT INC	P	4/25/2013	11/20/2013	227,503	0	245,089	(17,585)
APPLE INC	P	4/30/2013	9/6/2013	227,835	0	254,671	(26,836)
GENERAL MOTORS CO	P	4/30/2013	9/25/2013	66,959	0	55,562	11,397
QUALCOMM INC	P	4/30/2013	11/13/2013	85,468	0	78,764	6,704
SELECT SECTOR SPDR TR	P	5/3/2013	11/26/2013	196,869	0	180,469	16,400
SELECT SECTOR SPDR TR	P	5/3/2013	12/9/2013	203,514	0	183,594	19,920
ANALOG DEVICES INC	P	5/9/2013	8/28/2013	361,823	0	355,071	6,752
ANALOG DEVICES INC	P	5/10/2013	8/28/2013	231,756	0	228,654	3,102
SELECT SECTOR SPDR TR	P	5/13/2013	6/24/2013	57,242	0	56,605	637
SELECT SECTOR SPDR TR	P	5/13/2013	7/8/2013	42,592	0	42,454	138
SELECT SECTOR SPDR TR	P	5/13/2013	9/4/2013	75,739	0	73,587	2,152
SELECT SECTOR SPDR TR	P	5/13/2013	9/25/2013	21,402	0	19,812	1,590
T-MOBILE US INC	P	5/23/2013	9/25/2013	67,153	0	54,690	12,463
T-MOBILE US INC	P	5/23/2013	12/9/2013	111,022	0	84,061	26,961
SELECT SECTOR SPDR TR	P	5/31/2013	9/25/2013	39,747	0	37,037	2,710
SELECT SECTOR SPDR TR	P	5/31/2013	10/8/2013	343,468	0	323,362	20,107
SELECT SECTOR SPDR TR	P	5/31/2013	11/14/2013	356,546	0	323,362	33,184
DELTA AIR LINES INC DEL	P	6/17/2013	8/9/2013	35,640	0	31,871	3,769
DELTA AIR LINES INC DEL	P	6/17/2013	9/20/2013	147,235	0	119,049	28 188
DELTA AIR LINES INC DEL	P	6/17/2013	9/25/2013	68,004	0	54,369	13,635
DELTA AIR LINES INC DEL	P	6/17/2013	11/27/2013	82,812	0	54,369	28,443
HARLEY DAVIDSON	P	6/19/2013	8/27/2013	88,185	0	81,781	6,404
ANALOG DEVICES INC	P	8/6/2013	8/28/2013	44,932	0	47,097	(2,165)
INDUSTRIAL SELECT SECT	P	8/7/2013	9/3/2013	330,857	0	340,725	(9,868)
INDUSTRIAL SELECT SECT	P	8/8/2013	9/3/2013	333,062	0	343,525	(10,463)
WHIRLPOOL CORP	P	8/21/2013	9/25/2013	74,548	0	66,387	8,161
EBAY INC COM	P	8/23/2013	9/25/2013	55,088	0	51,461	3,627
UTILITIES SELECT SECTOR S P D R	P	8/28/2013	9/25/2013	52,377	0	52,462	(85)
UTILITIES SELECT SECTOR S P D R	P	8/28/2013	10/1/2013	604,082	0	603,309	773
F5 NETWORKS INC COM	P	9/5/2013	9/25/2013	65,885	0	60,746	5,139
TYCO INTERNATIONAL LTD	P	9/25/2013	12/9/2013	56,234	0	52,506	3,728
SELECT SECTOR SPDR TR	P	9/26/2013	12/9/2013	207,844	0	194,640	13,204
HOME DEPOT INC	P	11/4/2013	12/2/2013	64,466	0	61,482	2,984
SELECT SECTOR SPDR TR	P	11/7/2013	12/9/2013	204,380	0	199,953	4,427
SHORT-TERM CAPITAL GAINS & LOSSES- OTHER INVESTMENTS				29,314,113	0	27,543,323	1,770,790
UNITED STATES TREAS NTS	P	8/28/2012	11/19/2013	700,629	0	699,892	737
LONG-TERM CAPITAL GAINS & LOSSES-US TREASURY				700,629	0	699,892	737

INDEPENDENCE BLUE CROSS FOUNDATION
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(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold	(e) Gross Sales Price	(f) Depreciation allowed	(g) Cost Basis	(h) Gain/(Loss)
APPLE COMPUTER INC	P	12/22/2011	2/28/2013	44,893	0	39,855	5,038
APPLE COMPUTER INC	P	12/22/2011	9/25/2013	94,700	0	79,710	14,990
APPLE COMPUTER INC	P	12/22/2011	12/9/2013	56,502	0	39,855	16,647
CONOCOPHILLIPS	P	12/22/2011	2/21/2013	48,718	0	49,245	(527)
CONOCOPHILLIPS	P	12/22/2011	2/21/2013	229,262	0	231,742	(2,480)
EATON CORP PLC	P	12/22/2011	7/8/2013	62,494	0	41,211	21,283
EATON CORP PLC	P	12/22/2011	8/12/2013	289 853	0	195 210	94,643
MYLAN LABS INC	P	12/22/2011	4/2/2013	307,362	0	231,230	76,132
MYLAN LABS INC	P	12/22/2011	4/3/2013	63,248	0	47 562	15,686
NATIONAL OILWELL VARCO INC	P	12/22/2011	2/22/2013	306,913	0	300,476	6,437
NIKE INC CL B	P	12/22/2011	2/22/2013	184,918	0	161,194	23,724
UNITED PARCEL SERVICE CL	P	12/22/2011	1/18/2013	157,931	0	146,000	11,931
V F CORP	P	12/22/2011	1/18/2013	277,349	0	227,952	49,397
SCHWAB STRATEGIC TR	P	1/30/2012	3/18/2013	161,296	0	142 401	18,896
VANGUARD INTL EQUITY	P	1/30/2012	3/18/2013	508,181	0	458,265	49,916
VANGUARD INTL EQUITY	P	1/30/2012	9/25/2013	66,162	0	56,337	9,824
CARDINAL HEALTH INC	P	1/31/2012	2/27/2013	297,063	0	282 698	14,365
COCA COLA CO	P	1/31/2012	12/2/2013	201,844	0	201,741	103
PRAXAIR INC	P	2/1/2012	2/19/2013	345,125	0	348,709	(3,585)
PEPSICO	P	2/2/2012	2/27/2013	380,651	0	335 514	45,136
ACCENTURE PLC IRELAND	P	2/7/2012	2/28/2013	274,183	0	211,116	63,067
CIGNA CORP	P	2/9/2012	4/30/2013	263,810	0	244,745	19 065
GEN ELEC CAP CRP	P	2/9/2012	7/2/2013	458,512	0	447,786	10,726
TIMKEN CO COM	P	2/17/2012	2/27/2013	19,968	0	19,762	207
TIMKEN CO COM	P	2/21/2012	2/27/2013	39,397	0	39,244	153
COMCAST CORP NEW	P	2/22/2012	12/12/2013	350,565	0	343,917	6,648
EASTMAN CHEM CO	P	2/22/2012	5/3/2013	267,121	0	213,965	53,156
BANK OF AMER CORP	P	2/29/2012	9/30/2013	258,418	0	234,345	24,072
EASTMAN CHEM CO	P	3/15/2012	5/3/2013	15 120	0	11,565	3,555
EASTMAN CHEM CO	P	3/15/2012	5/6/2013	78,422	0	62,965	15,457
EASTMAN CHEM CO	P	3/21/2012	5/6/2013	92,826	0	74 632	18,195
DEERE JOHN CAP CORP MTNS	P	4/12/2012	9/16/2013	232,873	0	234,485	(1,612)
COMCAST CORP CL A	P	4/13/2012	6/5/2013	328,897	0	240,609	88,288
EASTMAN CHEM CO	P	4/13/2012	5/6/2013	67,219	0	55,127	12,092
EATON CORP PLC	P	4/16/2012	8/12/2013	48,309	0	35,048	13,260
EATON CORP PLC	P	4/16/2012	8/13/2013	6,497	0	4,673	1,824
COMCAST CORP CL A	P	4/18/2012	6/5/2013	128,920	0	95,091	33,828
DISCOVER FINL SVCS	P	4/24/2012	9/25/2013	62,327	0	39,558	22,769
DISCOVER FINL SVCS	P	4/24/2012	10/28/2013	350,288	0	224,983	125,304
COMCAST CORP CL A	P	4/27/2012	6/5/2013	36,544	0	27,142	9,402
DISCOVER FINL SVCS	P	5/9/2012	10/28/2013	134,726	0	87,697	47,029
UNION PAC CORP	P	6/21/2012	9/25/2013	64,179	0	46,347	17,831
UNION PAC CORP	P	6/21/2012	12/9/2013	48,496	0	34,761	13,736
EASTMAN CHEM CO	P	8/1/2012	9/19/2013	332,870	0	353,165	(20,295)
LONG-TERM CAPITAL GAINS & LOSSES- OTHER INVESTMENTS				8,044,955	0	6,999,638	1,045,316
TOTAL CAPITAL GAINS & LOSSES				46,477,057	0	43,691,991	2,785,066

Independence Blue Cross Foundation
EIN 36-4685801
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Form 990-PF, Part VIII - List of Officers, Directors, and Trustees

(A) Name and Address	(B) Title and Average Hours Per Week Devoted to Position	(C) Compensation	(D) Contribution to Employee Health Plan	(E) Expense Accounts
Patrick B Gillespie 2791 Southampton Road, Suite 100 Philadelphia, PA 19154	Chairman of Board of Directors Less than one hour per week average	None	None	None
Lorina L Marshall-Blake 1901 Market Street Philadelphia, PA 19103	President Greater than one hour per week average	None	None	None
Alan Krigstein 1901 Market Street Philadelphia, PA 19103	Treasurer Less than one hour per week average	None	None	None
Lilton R Taliaferro, Jr, Esq 1901 Market Street Philadelphia, PA 19103	Secretary Greater than one hour per week average	None	None	None
Joan Hilferty 1901 Market Street Philadelphia, PA 19103	Director Less than one hour per week average	None	None	None
Paul A Tufano 1901 Market Street Philadelphia, PA 19103	Director Less than one hour per week average	None	None	None
I Steven Udvarhelyi, MD 1901 Market Street Philadelphia, PA 19103	Director Less than one hour per week average	None	None	None
Christopher Cashman 1901 Market Street Philadelphia, PA 19103	Director Less than one hour per week average	None	None	None
Plato Marinakos 500 Berwyn Baptist Road #11 Chamond Devon, PA 19333	Director Less than one hour per week average	None	None	None

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Form 990-PF, Part XV – Supplementary Information

Lines 2(a), 2(b) and 2(c)

Applications are submitted to the Foundation through its website (www.ibxfoundation.org), which describes several categories of grant applications that may be accepted by the Foundation. These include applications for grants to support "safety net clinics" that provide medical services to vulnerable populations in underserved areas of the community, grants to nursing schools to fund student scholarships , and "innovation grants" supporting innovative projects and initiatives that seek to advance the practice and delivery of healthcare. The form of application, the information and materials required to be included, submission deadlines, grant criteria, and the form of grant agreement to be entered into with the Foundation may vary depending on the type of grant sought by the applicant. The website includes contact information if additional information is needed.

Line 2(d)

In general, the Foundation seeks to support, advance, and raise funds for health care, health education, wellness, medical training and medical research. More specifically, the Foundation is interested in making grants that further its core mission of enhancing the delivery of healthcare and improving health, wellness and quality of life in communities throughout southeastern Pennsylvania. The Foundation's goals include improving access to quality, affordable healthcare; supporting education in health-related vocations; and supporting programs to improve health and wellness. At present, grant awards are generally limited to recipients located in, or carrying out grant purposes in, the following Pennsylvania counties: Philadelphia, Montgomery, Delaware, Bucks and Chester.

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Recipient Name	Recipient Address	Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
11th Street Family Health Services of Drexel	850 N 11th Street Philadelphia, PA 19123	PC	Nurse Intern	5,625
11th Street Family Health Services of Drexel University	245 N 15th Street Philadelphia, PA 19102	PC	General Operating Support	100,000
Abington Health Children's Clinic/Dental Clinic	51 Medical Campus Drive Lansdale, PA 19446	PC	General operating support	30,000
Abington Memorial Hospital Dixon School of Nursing	1200 Old York Road Abington PA 19001	PC	Undergraduate Scholarship Grant	8,375
Albert Einstein Healthcare	5501 Old York Road Philadelphia, PA 19141	PC	To support expanded operations including a patient navigator to coordinate care for uninsured and underserved patients Recommendation based on patient volume	50,000
Ann Silverman Community Health Clinic	595 West State Street Doylestown, PA 18901	PC	General Operating Support	60,000
Aria Health Center Clinic	10800 Knights Road Philadelphia, PA 19114	PC	Nurse Intern	4,613
Aria Health Center Clinic	Knights and Red Lion Roads Philadelphia, PA 19114	PC	Staffing and Supplies	50,000
Aria Health School of Nursing	Knights and Red Lion Roads Philadelphia, PA 19114	PC	Undergraduate Scholarship Grant	7,032
Bucks County Community College Foundation	275 Swamp Road Newtown PA 18940	PC	Undergraduate Scholarship Grant	7,269
Bucks County Health Improvement Partnership	1201 Langhorne-Newton Road Langhorne, PA 19047	PC	Staff Salaries	50,000
Center for Arts & Technology CCIU Practical Nursing Program	443 Boot Road Downingtown, PA 19335	PC	Undergraduate Scholarship Grant	6,163
ChesPenn Health Services	2600 West 9th Street, 2 North Chester PA 19013	PC	Nurse Intern	4,763
ChesPenn Health Services, Inc. / Center for Family Health at Coatesville	2600 West 9th Street, 2 North Chester PA 19013	PC	General Operating Support	50,000
ChesPenn Health Services, Inc. / Center for Family Health at Eastside and Center for Family Health and Community Hospital	2600 West 9th Street, 2 North Chester PA 19013	PC	General Operating Support	100,000
ChesPenn Health Services, Inc. / Center for Family Health at Upper Darby	2600 West 9th Street, 2 North Chester, PA 19013	PC	General Operating Support	50,000
Chester County Community Dental Center	744 East Lincoln Highway Suite 120 Coatesville, PA 19320	PC	General Operating Support	25,000
Child and Family Connections	1512 Spruce Street, Suite 815 Philadelphia, PA 19102	PC	General operating support for families with members with chronic mental health disorders	15,000
Citizens Acting Together Can Help, Inc. (CATCH)	1409 Lombard Street Philadelphia PA 19146	PC	Patriot House' homeless veterans program	25,000
Community College of Philadelphia Foundation	1700 Spring Garden Street Philadelphia, PA 19130	PC	Undergraduate Scholarship Grant	9,324
Community Volunteers in Medicine (CVIM)	300 B Lawrence Drive Chester PA 19380	PC	General Operating Support	100,000
Congreso de Latinos Unidos / Congreso Community Health Center	216 West Somerset Street Philadelphia, PA 19133	PC	General Operating Support	5,738
Congreso de Latinos Unidos / Congreso Community Health Center	216 West Somerset Street Philadelphia, PA 19133	PC	Salary Support	50,000
Covenant House Pennsylvania / CHOP Connections Clinic	31 East Armat Street Philadelphia, PA 19144	PC	Salary Support	50,000
Cranaleith Spiritual Center	13475 Proctor Road Philadelphia, PA 19116	PC	Coming home, becoming whole: spiritual healing program for veterans with emphasis on women veterans	25,000
Daemion Counseling Center	95 Howellville Road Berwyn, PA 19312	PC	To fund general operating expenses for a mental health therapy program for uninsured, underemployed and underinsured in Chester Delaware, and Montgomery Counties	10,000
Delaware County Community College Nursing Program	901 South Media Line Road Media, PA 19063	PC	Undergraduate Scholarship Grant	11,931
Delaware Valley Community Health, Inc. / Fairmount Primary Care Center	1412 22 Fairmont Avenue Philadelphia, PA 19130	PC	General Operating Support	75,000
Delaware Valley Community Health, Inc. / Maria de los Santos Health Center	1412-22 Fairmont Avenue Philadelphia, PA 19130	PC	General Operating Support	75,000
Delaware Valley Community Health, Inc. / Norristown Regional Health Center	1412 22 Fairmont Avenue Philadelphia, PA 19130	PC	General Operating Support	100,000
Delaware Valley Community Health, Inc.	1412 22 Fairmont Avenue Philadelphia, PA 19130	PC	Nurse Intern	10,725
Drexel University College of Nursing and Health Professions	245 N 15th Street, MS 501 Philadelphia, PA 19102	PC	Undergraduate Scholarship Grant	30,183
Drexel University College of Nursing and Health Professions	245 N 15th Street, MS 501 Philadelphia, PA 19102	PC	Graduate Scholarship Grant	216,870
Eagles Charitable Foundation	NovaCare Complex Philadelphia, PA 19145	PC	To fund operating costs of the Eagles Eye Mobile	50,000
Eastern Center for Arts & Technology Practical Nursing Program	3075 Terwood Road Willow Grove, PA 19090	PC	Undergraduate Scholarship Grant	6,400
Eastern University Department of Nursing	1300 Eagle Road St Davids, PA 19087	PC	Undergraduate Scholarship Grant	7,348
Esperanza Health Center	3156 Kensington Avenue Philadelphia, PA 19134	PC	Nurse Intern	6,113
Esperanza Health Center, Inc. / Huntington Park Site	4417 N 6th Street Philadelphia, PA 19140	PC	Salary support	100,000
Face to Face	109 East Price Street Philadelphia, PA 19144	PC	Health check program, social services, legal services, art program	10,000
Gwynedd-Mercy College / Adult Health Center	1325 Sumneytown Pike Gwynedd Valley PA 19437	PC	General operating support	75,000
Gwynedd-Mercy College, Frances M Maguire School of Nursing	1325 Sumneytown Pike Gwynedd Valley PA 19437	PC	Undergraduate Scholarship Grant	27,971
Gwynedd-Mercy College, Frances M Maguire School of Nursing	1325 Sumneytown Pike Gwynedd Valley, PA 19437	PC	Graduate Scholarship Grant	19,154
Health Link Medical Center	1775 Street Road Southampton, PA 18966	PC	General operating support	75,000

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Recipient Name	Recipient Address	Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
Holy Family University	9801 Frankford Ave Philadelphia, PA 19114	PC	Graduate Scholarship Grant	11,280
Holy Family University School of Nursing and Allied Health Professions	9801 Frankford Ave Philadelphia, PA 19114	PC	Undergraduate Scholarship Grant	6,716
Immaculata University	1145 King Road P O Box 691 Immaculata, PA 19345-691	PC	Graduate Scholarship Grant	25,965
Immaculata University Division of Nursing	1145 King Road, P O Box 691 Immaculata, PA 19345	PC	Undergraduate Scholarship Grant	1,896
Kids Smiles, Inc. / West Philadelphia Dental Center	3751 Island Avenue 2nd Floor Philadelphia, PA 19153	PC	General operating support	50,000
La Comunidad Hispana	731 West Cypress Street Kennett Square, PA 19348	PC	Nurse Intern	5,363
La Comunidad Hispana, Inc. / La Comunidad Hispana Health Center	731 West Cypress Street Kennett Square, PA 19348	PC	General operating support	75,000
La Salle University	1900 West Olney Avenue Box 808 Philadelphia, PA 19141	PC	Graduate Scholarship Grant	82,577
La Salle University School of Nursing and Health Sciences	1900 West Olney Avenue Box 808 Philadelphia, PA 19141	PC	Undergraduate Scholarship Grant	18,568
Linda Creed Breast Cancer	P O Box 40607 Philadelphia, PA 19107	PC	To provide women with free breast screenings and diagnostic tests regardless of insurance status	10,000
Mazzoni Center Family and Community Medicine	21 S 12th Street, 12th Floor Philadelphia, PA 19107	PC	New Program	50,000
Montgomery County Community College Nursing Program	340 DeKalb Pike Blue Bell, PA 19422	PC	Undergraduate Scholarship Grant	12,405
National League for Nursing	61 Broadway, 33rd floor New York, NY 10128	PC	ACES conference, focus groups, and award program for faculty and professionals to improve care for seniors	86,090
National Nursing Centers Consortium	260 South Broad Street, Suite 1800 Philadelphia, PA 19102	PC	Nurse Intern	4,613
National Nursing Centers Consortium	260 South Broad Street, Suite 1800 Philadelphia PA 19102	PC	Nurse Intern	50,000
Neumann University, Department of Nursing	One Neumann Drive Aston, PA 19014	PC	Graduate Scholarship Grant	7,662
Neumann University, Department of Nursing	One Neumann Drive Aston, PA 19014	PC	Undergraduate Scholarship Grant	6,400
New Directions Support Group, Inc.	204 Cowbell Road Willow Grove, PA 19090	PC	Grassroots organizations bringing together the general community and the mental health community in Montgomery County	10,000
North Hills Health Center of Abington Memorial Hospital	1200 Old York Road Abington PA 19001	PC	Salary support of NP	50,000
North Philadelphia Health System	16th Street & Girard Avenue Philadelphia, PA 19130	PC	To support discharge program at St. Joseph s Hospital Recommendation amount based on patient volume.	50,000
Northeastern Hospital School of Nursing	2301 E Allegheny Avenue Philadelphia, PA 19134	PC	Undergraduate Scholarship Grant	2,449
Philadelphia Allied Health Partnership	260 South Broad Street, Suite 1800 Philadelphia, PA 19102	PC	Year 2 of the Philadelphia Allied Health Program to train high school students and young adults for careers in Allied Health	75,000
Philadelphia College of Osteopathic Medicine / PCOM Healthcare Center Lancaster Ave	4180 City Avenue Philadelphia, PA 19131-1695	PC	Consultant fees to implement PHMC and receive NCQA recognition	50,000
Philadelphia Fight / The Fight Dental Project	1233 Locust Street, 3rd Floor Philadelphia, PA 19107	PC	Program expansion, staff salary	25,000
Pennsylvania Horticultural Society	100 N 20th Street Philadelphia, PA 19103	PC	To support student education to grow and sustain a community garden, bringing hands-on gardening into schools	10,000
Philly Girls in Motion	40 West Turnbull Avenue Havertown, PA 19083	PC	Growth and expansion hiring full-time Executive Director and part time staff to expand program	25,000
Project H O.M E.	1845 North 23rd Street Philadelphia, PA 19121	PC	To expand and deepen health care services for homeless at St. Elizabeth's Health Center Recommendation based on prior support.	75,000
Project H O M E - St Elizabeth's Wellness Center	1515 Fairmount Avenue Philadelphia, PA 19130	PC	Nurse Intern	5,738
Public Health Management Corporation	260 South Broad Street, Suite 1800 Philadelphia, PA 19102	PC	Nurse Intern (5 students) Health Connection, Care Clinic, Rising Sun, Mary Howard, Congreso)	22,950
Public Health Management Corporation / Care Clinic	260 South Broad Street, Suite 1800 Philadelphia, PA 19102	PC	General operating support	40,000
Public Health Management Corporation / Health Connection	260 South Broad Street, Suite 1800 Philadelphia, PA 19102	PC	General operating support	40,000
Public Health Management Corporation / Mary Howard Health Center	260 South Broad Street, Suite 1800 Philadelphia, PA 19102	PC	General operating support	50,000
Public Health Management Corporation / Rising Sun Health Center	260 South Broad Street, Suite 1800 Philadelphia, PA 19102	PC	General operating support	50,000
Puentes de Salud	2029 South 8th Street Philadelphia, PA 19148	PC	General operating support	50,000
Puentes de Salud	2029 South 8th Street Philadelphia, PA 19148	PC	Nurse Intern	4,613
Salus University- The Eye Institute	1200 West Godfrey Avenue Philadelphia, PA	PC	To provide vision and ocular health services to uninsured adults. Recommendation based on other vision care provider grant levels and patient volume	50,000
Simons Fund	706 Tatum Lane Plymouth Meeting, PA 19462	PC	Student Heart Screenings	10,000
Speak Up! AIDS Alive	528 East Lancaster Avenue, Suite 50 St David's, PA 19087	PC	To provide innovative programming to prevent youth suicide, decrease drop out rates, and identify students in need	15,000
Spectrum Health Services	1415 N Broad Street Philadelphia, PA 19122	PC	To provide general operating support for the new center serving West Philadelphia. Recommendation amount consistent with other grantees	75,000
St. Catherine Laboure Medical Clinic	P O Box 40607 Philadelphia, PA 19107	PC	General operating support	50,000
St. Mary Medical Center Foundation - Mother Bachmann Maternity Center/Children's Health Center	One Summit Square, Suite 300 1717 Langhorne-Newtown Rd. Langhorne, PA 19047	PC	General operating support	75,000
Temple University	Department of Nursing 3307 N Broad Street Philadelphia, PA 19140	PC	Graduate Scholarship Grant	21,070

Independence Blue Cross Foundation
EIN 36-4685801
December 31, 2013

Recipient Name	Recipient Address	Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
Temple University, Department of Nursing	Department of Nursing 3307 N Broad Street Philadelphia, PA 19140	PC	Undergraduate Scholarship Grant	7,506
The Clinic	143 Church Street Phoenixville, PA 19460	PC	Nurse Intern	4,650
The Clinic	143 Church Street Phoenixville, PA 19460	PC	General operating support	75,000
The Veterans Group	3209 Baring Street Philadelphia, PA 19104	PC	Expanding access through transportation for veterans wellness and education program	25,000
Thomas Jefferson University	901 Walnut Street Suite 804 Philadelphia, PA 19107	PC	Graduate Scholarship Grant	106,200
Thomas Jefferson University, Jefferson School of Nursing	901 Walnut Street Suite 804 Philadelphia, PA 19107	PC	Undergraduate Scholarship Grant	24,336
University of Pennsylvania	c/o Penn Medicine Development 3535 Market Street, Suite 750 Philadelphia, PA 19104	PC	Graduate Scholarship Grant	124,503
University of Pennsylvania School of Nursing	c/o Penn Medicine Development 3535 Market Street, Suite 750 Philadelphia, PA 19104	PC	Undergraduate Scholarship Grant	12,958
Villanova University	800 Lancaster Avenue Villanova PA 19085	PC	Graduate Scholarship Grant	55,335
Villanova University - MacDonald Center for Obesity Prevention and Education	Driscoll Hall, Room 224 800 Lancaster Avenue Villanova, PA 19085	PC	To hold focus groups and conduct surveys about nutrition awareness for the children and their families	24,500
Villanova University College of Nursing	800 Lancaster Avenue Villanova PA 19085	PC	Undergraduate Scholarship Grant	16,751
VNA Community Services, Inc.	1421 Highland Avenue Abington, PA 19001	PC	Nurse Intern	5,363
VNA Community Services, Inc. / Ginny Coombs Children's Health Centers	1421 Highland Avenue Abington PA 19001	PC	General operating support	40,000
West Chester University, Department of Nursing	Sturzebecker Health Sciences Center 855 South New Street West Chester PA 19383	PC	Graduate Scholarship Grant	8,939
West Chester University, Department of Nursing	Sturzebecker Health Sciences Center 855 South New Street West Chester, PA 19383	PC	Undergraduate Scholarship Grant	9,087
Widener University School of Nursing	One University Place Founders Hall Chester PA 19013	PC	Graduate Scholarship Grant	70,446
Widener University School of Nursing	One University Place Founders Hall Chester PA 19013	PC	Undergraduate Scholarship Grant	8,929
Won Institute	137 South Easton Road Glenside, PA 19038	PC	Veterans acupuncture clinic – treat PTSD and pain with acupuncture	5,000
Youth Services, Inc.	410 N 34th St. Philadelphia PA 19104	PC	General operating support	20,000
Misc Adjustments				(13,679)

Total Grants & Contributions Paid During the Year, Line 3a — 3,862,774

• If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box . . . . ▶ ☒

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

• If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return. See instructions	Name of exempt organization or other filer, see instructions. INDEPENDENCE BLUE CROSS FOUNDATION	Employer identification number (EIN) or 36-4685801
	Number, street, and room or suite no. If a P.O. box, see instructions. 1901 MARKET STREET	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions PHILADELPHIA, PA 19103	

Enter the Return code for the return that this application is for (file a separate application for each return) 04

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	[illegible]	[illegible]
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

• The books are in the care of ▶ CORPORATION

Telephone No. ▶ 215-241-2543 Fax No. ▶

• If the organization does not have an office or place of business in the United States, check this box . . . . ▶ ☐

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ . If this is for the whole group, check this box . . . ▶ ☐ . If it is for part of the group, check this box . . . . ▶ ☐ and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until NOVEMBER 15 , 20 14 .

5 For calendar year 2013 , or other tax year beginning ______ , 20 ___ , and ending ______ , 20 ___ .

6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

7 State in detail why you need the extension INFORMATION NECESSARY TO PREPARE AN ACCURATE TAX RETURN IS NOT YET AVAILABLE.

8a	If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	$
b	If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	$
c	**Balance due.** Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	$ 0

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ [signature] Title ▶ DIRECTOR - CORP TAX Date ▶ 7/10/14

INDEPENDENCE BLUE CROSS FOUNDATION

Financial Statements
For the Years Ended December 31, 2013 and 2012
With Report of Independent Auditors

INDEPENDENCE BLUE CROSS FOUNDATION
December 31, 2013 and 2012

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Mitchell &Titus

Mitchell & Titus, LLP
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REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
Independence Blue Cross Foundation

We have audited the accompanying statements of financial position of the Independence Blue Cross Foundation as of December 31, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Independence Blue Cross Foundation at December 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Mitchell & Titus, LLP

June 11, 2014

INDEPENDENCE BLUE CROSS FOUNDATION
Statements of Financial Position
As of December 31, 2013 and 2012
(Dollars in thousands)

	2013		2012	
ASSETS				
Current assets				
Cash and cash equivalents	$	1,678	$	1,703
Investments at fair value		57,296		55,514
Interest receivable		144		103
Total assets	$	59,118	$	57,320
LIABILITIES AND NET ASSETS				
Current liabilities				
Grants payable	$	1,204	$	1,744
Federal excise tax liability		10		-
Total liabilities		1,214		1,744
Net assets				
Unrestricted		57,904		55,576
Total net assets		57,904		55,576
Total liabilities and net assets	$	59,118	$	57,320

The accompanying notes are an integral part of these financial statements.

INDEPENDENCE BLUE CROSS FOUNDATION
Statements of Activities
For the Years Ended December 31, 2013 and 2012
(Dollars in thousands)

	2013	2012
CHANGE IN NET ASSETS		
Revenues and gains		
Contributions	$ -	$ 15,000
Contributed facilities and administrative support	1,502	1,046
Gain on investment portfolio	5,592	4,139
Investment income, net	690	553
Total revenue and gains	7,784	20,738
Expenses		
Grants	3,863	5,905
Direct charitable expenses	20	14
Contributed facilities and administrative support	1,502	1,046
Federal excise tax	71	66
Total expenses	5,456	7,031
Changes in net assets	2,328	13,707
Unrestricted net assets, beginning of year	55,576	41,869
Unrestricted net assets, end of year	$ 57,904	$ 55,576

The accompanying notes are an integral part of these financial statements.

INDEPENDENCE BLUE CROSS FOUNDATION
Statements of Cash Flows
For the Years Ended December 31, 2013 and 2012
(Dollars in thousands)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 2,328	$ 13,707
Adjustments to reconcile change in net assets to net cash used in operating activities		
Gain on investment portfolio	(5,592)	(4,139)
Amortization	135	73
(Increase)/decrease in operating assets		
Interest receivable	(41)	(103)
Contributed investments	-	(14,595)
Increase/(decrease) in operating liabilities		
Grants payable	(540)	1,744
Federal tax liability	10	(1)
Net cash used in operating activities	(3,700)	(3,314)
Cash flows from investing activities		
Purchase of investments	(43,750)	(85,895)
Sale or maturity of investments	47,425	80,365
Net cash provided by (used in) investment activities	3,675	(5,530)
Net decrease in cash and cash equivalents	(25)	(8,844)
Cash and cash equivalents, beginning of year	1,703	10,547
Cash and cash equivalents, end of year	$ 1,678	$ 1,703

The accompanying notes are an integral part of these financial statements.

NOTE 1 NATURE OF BUSINESS

The Independence Blue Cross Foundation (the Foundation), a Pennsylvania domestic Section 501(c)(3) nonprofit corporation, was established in 2010. The Foundation was organized for charitable and educational purposes to support, advance, and raise funds for healthcare, health education, wellness, medical training, and medical research. Its mission is focused on caring for the vulnerable, enhancing healthcare delivery, and leading innovative approaches to healthcare. The Foundation is funded entirely by contributions from Independence Blue Cross (IBC) and its affiliates. IBC, a nonprofit hospital corporation in Pennsylvania, provides a broad spectrum of health benefits ranging from health, pharmacy, dental, vision, and workers' compensation benefits to individuals and groups in multiple states through fully insured and administrative services products.

IBC provides the facilities and staff for the operation and administration of the Foundation's activities at no cost.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP) for nonprofit organizations, which requires the Foundation to report information regarding its financial position and activities according to three net asset classes: unrestricted, temporarily restricted, and permanently restricted.

Net Assets

Net assets are classified as follows:

Unrestricted: The assets are from unrestricted contributions and from other resources not subject to donor-imposed restrictions.

Temporarily restricted: The assets are from restricted contributions (temporary restrictions) whose donor-imposed restrictions have not been met due to actions of the Foundation and/or the passage of time. Once this occurs, changes in temporarily restricted net assets are reported in the statement of activities.

Permanently restricted: The assets have donor-imposed restrictions that do not expire.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid securities with original maturities of 90 days or less at the date of acquisition.

Investments

The Foundation reports investments at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. See Note 3 for a discussion on valuation methodologies.

Investment income reported in the accompanying statements of activities represents dividends and interest income, net of investment expense. Dividends and interest are recorded as earned. Investment expense was $356 and $209 for the years ended December 31, 2013 and 2012, respectively.

The net appreciation (depreciation) in the fair value of investments consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments. The net realized gain or loss on investments is the difference between the proceeds received and the costs of investments sold determined on an average cost basis. Unrealized appreciation (depreciation) in the fair value of investments is the difference between the fair value and the cost of investments.

The average cost basis is used to determine costs for the Foundation. The first-in, first-out cost basis is used to determine costs for the Foundation's marketable securities and the average cost basis is used to determine costs for the Foundation's alternative investments. The sale and purchase of investments are recorded at the date of trade, which can result in either a net receivable or net payable on unsettled investment trades at the statement of financial position date.

Contributions

Contributions are recognized when the donor makes a pledge to the Foundation that is, in substance, unconditional. Donor-restricted contributions are reported as increases in unrestricted net assets if the restriction expires in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Grants

Unconditional grants are recorded as an expense in the year in which they are committed. Conditional grants are recorded as an expense when the conditions have been met. As of December 31, 2013 and 2012, the Foundation did not have any conditional grants outstanding.

Contributed Facilities and Administrative Support

The Foundation occupies, without charge, certain premises owned and operated by IBC, which donates the operating costs and administrative support. Simultaneously, these expenses are reported as contributions and expense in the period in which they are incurred. The estimated fair rental value of the premises is determined based on square footage, and the cost of administrative support is based on direct cost and usage.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income, and expenses. Actual results could differ from those estimates.

Tax Status

The Foundation is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC), but are subject to a 2% (1% if certain criteria are met) Federal excise tax on net investment income, including net realized gains, as defined by the IRC.

U.S. GAAP requires the Foundation's management to evaluate uncertain tax positions taken by the Foundation. The financial statement effects of a tax position are recognized when the position is more-likely-than-not, based on the technical merits, to be sustained upon examination by the IRS. The Foundation has analyzed the tax positions taken by the Foundation, and has concluded that as of December 31, 2013, there are no uncertain positions taken or expected to be taken. The Foundation has recognized no interest or penalties related to uncertain tax positions. The Foundation is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Foundation is no longer subject to income tax examinations for years prior to 2010.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Recent Accounting Pronouncement

In April 2013, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2013-06, *Not-for-Profit Entities (Topic 958) Services received from Personnel of an Affiliate.* This ASU states that a recipient not-for-profit (NFP) entity is required to recognize all services received from personnel of an affiliate that directly benefit the recipient NFP and for which the affiliate does not charge the recipient NFP. ASU 2013-06 will be effective prospectively for fiscal years beginning after June 15, 2014, and will have no impact on the Foundation's financial statements.

NOTE 3 FAIR VALUE OF FINANCIAL INSTRUMENTS

The Foundation is subject to the provisions of Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, which clarifies the definition of fair value for financial reporting, establishes a framework used to measure fair value, and enhances disclosure requirements for fair value measurements. In accordance with ASC 820, the Foundation has categorized its financial instruments based on the priority of the valuation technique into a three-level fair value hierarchy. The valuation hierarchy is based on the observability of the inputs to the valuation of the asset or liability as of the measurement date. A financial instrument's categorization within the valuation hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The three levels are defined as:

Level 1: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. This includes situations where there is little, if any, market activity for the asset or liability.

NOTE 3 FAIR VALUE OF FINANCIAL INSTRUMENTS *(continued)*

Where available, fair value is based on observable market prices or parameters or is derived from such prices or parameters using market standard models. These valuation models involve certain levels of estimation and judgment, which is dependent on the price transparency for the instruments or market and the instruments' complexity.

The availability of observable inputs can vary depending on the financial asset or liability and is affected by a wide variety of factors. To the extent that the valuation is based on models or inputs that are less observable or unobservable in the market, the fair value determination requires more judgment. Accordingly, the degree of judgment exercised by the Foundation in determining fair value is greatest for assets and liabilities classified in Level 3. In certain cases, inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy in which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Management is responsible for the valuation of all assets of the Foundation. Any changes to the valuation methodology are reviewed by the Audit Committee or by the Board of Directors of the Foundation.

The following is a description of the valuation methodologies used for instruments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy as described above. The valuation methodologies disclosed are general guidelines. The actual valuation methodology could vary from instrument to instrument to provide the most appropriate fair value measurement.

Cash Equivalents

Cash equivalents consist primarily of funds in money market accounts. These deposits are categorized as Level 1 within the fair value hierarchy.

Common Stocks

Generally, the fair value of financial instruments listed on a securities exchange is determined by its last sales price or the official closing price on the date of which the value is being determined on the primary exchange on which such financial instruments are trading. The fair value for exchange-traded equity securities is determined in this manner, and they are generally classified as Level 1 securities, except for international securities, within the fair value hierarchy.

(Dollars in thousands)

NOTE 3 FAIR VALUE OF FINANCIAL INSTRUMENTS *(continued)*

U.S. Treasury Notes and Federal Agencies

Generally, actively traded U.S. Treasury notes and federal agency obligations are classified as Level 1 within the fair value hierarchy. These securities are valued using quoted prices for the identical security in an active market.

Corporate Debt and Asset-backed Securities

Because many fixed maturities do not trade daily, fair values are often derived using recent trades of securities with similar features and characteristics. When recent trades are not available, fair values are determined using pricing applications that vary by asset class and incorporate available market information, such as benchmarking of like-securities, sector grouping, and matrix pricing. Typical inputs and assumptions to pricing applications include, but are not limited to, benchmark yields, reported trades, broker-dealer quotes, issuer spreads, liquidity, benchmark securities, bids, offers, reference data, and industry and economic events. These investments are generally categorized as Level 2 within the fair value hierarchy.

Mutual Funds

The Foundation classifies some mutual funds as Level 1 within the fair value hierarchy when these funds are valued using quoted prices for the identical investment in an active market. Certain mutual funds are classified as Level 2 within the fair value hierarchy when the investment is not traded daily or is an international fund, such as the International Equity Fund which is composed of investments in fully industrialized and emerging economies.

Gain on Investment Portfolio

The gain on the Foundation's investment portfolio for the years ended December 31, 2013 and 2012 consisted of the following:

	2013	2012
Net realized gain	$ 2,785	$ 2,582
Net unrealized gain	2,807	1,557
Gain on investment portfolio	$ 5,592	$ 4,139

(Dollars in thousands)

NOTE 3 FAIR VALUE OF FINANCIAL INSTRUMENTS *(continued)*

The following table sets forth, by level within the fair value hierarchy, assets and liabilities as of December 31, 2013:

	Market Quoted Prices in Active Markets of Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
2013				
Cash and cash equivalents	$ 1,678	$ -	$ -	$ 1,678
Investments, available for sale				
U.S. Treasury notes and federal agencies	14,223	-	-	14,223
Asset-backed securities	-	380	-	380
Corporate debt securities	-	10,624	-	10,624
Common stock	20,286	821	-	21,107
Mutual funds				
International Equity Fund	-	9,332	-	9,332
REIT Fund	-	1,630	-	1,630
Total investments and cash equivalents	$ 36,187	$ 22,787	$ -	$ 58,974

(Dollars in thousands)

NOTE 3 FAIR VALUE OF FINANCIAL INSTRUMENTS *(continued)*

The following table sets forth, by level within the fair value hierarchy, assets and liabilities as of December 31, 2012:

	Market Quoted Prices in Active Markets of Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
2012				
Cash and cash equivalents	$ 1,703	$ -	$ -	$ 1,703
Investments available for sale				
U.S. Treasury notes and federal agencies	20,851	-	-	20,851
Asset-backed securities	-	486	-	486
Corporate debt securities	-	8,097	-	8,097
Common stock	15,301	-	-	15,301
Mutual funds				
International Equity Fund	-	8,976	-	8,976
REIT Fund	-	1,803	-	1,803
Total investments and cash equivalents	$ 37,855	$ 19,362	$ -	$ 57,217

None of the Foundation's financial assets were classified as Level 3 of the fair value hierarchy as of December 31, 2013 and 2012.

NOTE 4 RELATED-PARTY TRANSACTIONS

In 2013, IBC did not contribute cash or investments to the Foundation. In 2012, IBC provided the Foundation with a total of $15,000, which included cash totaling $405 and investment securities valued at $14,595. The contributions were unrestricted and will be used primarily to fund the mission of the Foundation. In addition, IBC provided the Foundation with in-kind contributions of administrative services, facilities, and personnel for which IBC received no compensation. The estimated fair value of the in-kind contributions was approximately $1,502 and $1,046 for the years ended December 31, 2013 and 2012, respectively.

NOTE 5 FEDERAL EXCISE TAX

The Foundation is subject to Federal excise taxes imposed on private foundations at 2%, or at 1%, if certain conditions are met. The excise tax is imposed on net investment income, as defined under Federal law, which includes interest, dividends, and net realized gains on the sale of investments. The Foundation provided for excise taxes at the 2% tax rate for the years ended December 31, 2013 and 2012. The current portion of the excise tax was $71 and $66 for the years ended December 31, 2013 and 2012, respectively.

NOTE 6 CONCENTRATION OF CREDIT RISK

Deposits held with banks may exceed the amount insured by the Federal Depository Insurance Corporation on such accounts. The Foundation's management monitors the balances to limit their exposure to risk.

NOTE 7 RISK AND UNCERTAINITIES

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is quite possible that changes in the values of investment securities will occur in the near term. The changes could materially affect the amounts reported in the financial statements. The Foundation's management monitors the exposure to such risk.

NOTE 8 SUBSEQUENT EVENTS

The Foundation evaluated events and transactions that occurred through June 11, 2014, which is the date that the financial statements were available to be issued for disclosure and recognition in the financial statements.